

Purchasing Week

McGraw-Hill's National Newspaper

OF PURCHASING

Vol. 4, No. 40

New York, N. Y., October 2, 1961

\$6 A YEAR U. S. AND CANADA \$25 A YEAR FOREIGN

Autos, Aluminum Setting Fall Price Fashions

Salesmen Concede Negotiating Edge To P.A.'s in '62

New York—Purchasing agents mapping 1962 buying strategy can expect more hustle than usual from salesmen in the year ahead. Keen competition because of the tightening squeeze on profits should give the P.A. a definite negotiating edge.

This was the consensus of top-level marketing men at the annual meeting of the National Industrial Conference Board here.

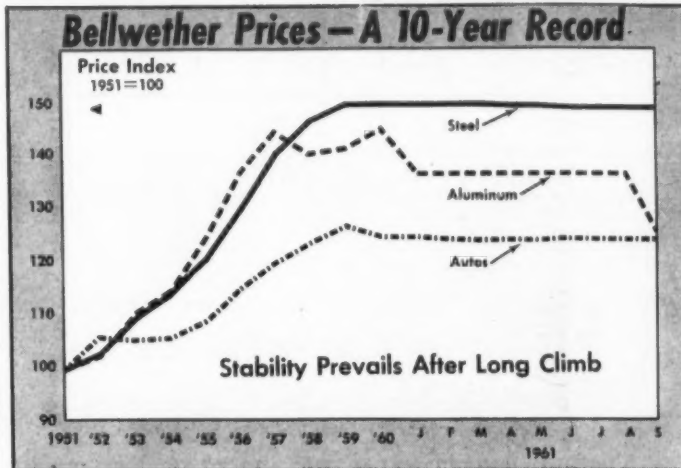
"I've never seen prices more muddled," Alfons Alven, general sales manager for Rollway Bearing Co., Inc., Syracuse, N. Y., told PURCHASING WEEK. "Our salesmen are going to have to scramble as they never have before. We'll try to hold the line on prices and emphasize technical services, but if prices go in any direction, it will probably be down."

Backing up this opinion was Erik Windmiller, assistant vice president, Apex Smelting Co., Chicago. "The over-all business outlook is good, but this doesn't mean individual companies can rest on their laurels. Prices alone won't be the deciding factors. I

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Try for Container Specs

New York—The International Organization for Standardization has set up three "working groups" to draft proposals for basic container specifications. But officials of the American Standards Assn. and other U.S. groups that met here with representatives of nine other nations said it would be some time before suggested dimensional requirements are circulated. Specifications, testing, marking, and terminology conflicts also must be ironed out.



McNamara Alerts Defense Firms: Drive to Cut Costs Now in High Gear

Washington—Companies selling to the military soon will feel the full effect of a series of sweeping policy rulings aimed at cutting costs in the Pentagon's multibillion-dollar procurement stepup, Defense Secy. Robert S. McNamara said last week.

The cost-reduction drive is being made in terms of how much the services buy, how they buy, and how they manage their inventories.

So far, the Pentagon has ordered five major steps toward cutting defense procurement costs.

Spelling them out last week in an interview with PURCHASING WEEK's Pentagon reporter, Morton Reichel, McNamara said the new policies will:

1. Place greater attention on what he called the "cost-benefit" ratio in military products. Objective is to balance performance specifications and other characteristics of a development or production item against specific costs. In effect, this is a broad-based application of value analysis to remove "goldplating" and other features that make no material contribution to the item's military utility.

2. Increase competition for defense contracts. The intent is to reduce the numbers of sole supply sources on items the military buys and to expand the numbers of companies that bid on advertised purchasing and submit proposals in negotiated procurement.

3. Improve the quality of military equipment.

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"Tags are still very competitive," said a large Midwest producer of folding paper cartons, "but a definite price floor is shaping up. For example, we can't get chipboard at \$85/ton any more, so we can't continue to

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Paper Prices Firming As Demand Builds Up

New York—The trend to higher prices in the paper industry hasn't quite run its course. Before the year is out, according to industry experts, tag strength should show up in folding cartons, fine papers, and gummed labels—but in the form of higher market quotes rather than in list prices.

"Tags are still very competitive," said a large Midwest producer of folding paper cartons, "but a definite price floor is shaping up. For example, we can't get chipboard at \$85/ton any more, so we can't continue to

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Detroit's Hold-the-Line Action, Aluminum Cuts Seen Keeping Lid on Steel, Over-All Prices

New York—Three bellwether industries—aluminum, autos, and steel—gave firm indications last week of how the price picture would look over the next few months—tags at or below year-ago levels.

• **Aluminum.** Producers dealt a heavy blow to steel's dying hopes of raising prices by announcing a 2¢/lb. (8%) reduction in aluminum ingot. Substantial, though smaller, reductions also were posted on fabricated products (see story below).

• **Autos.** Despite newly signed labor contracts, which will boost wage costs by as much as 22¢/hr. over the next year, most automakers indicated they would keep prices at or under the 1961 level (see story below).

• **Steel.** With both the aluminum price cut and growing competition from overseas, it's hard to see how any sharp across-the-board increases can be made to stick at this time, despite the constant drumfire by producers about the need for a boost.

McGraw-Hill economists see all this as pretty firm evidence of near-term over-all price stability. As one put it, "Without increases in these three basic prices, I just can't see any across-the-board price increases." (Turn to page 4, column 2)

Aluminum Tags Cut on Broad Front; Car Prices Hold Firm, Some Lower

Detroit — Automobile price competition is keener than ever this year. And after all the internal juggling of tags is completed, most automakers will be able to claim they more than held the line. Average reductions range from \$10 to \$50 compared to equivalent 1961 models.

In the face of higher labor costs (estimated at 22¢/hr. during the first year of the new three-year pacts) and a price-grumbling steel industry, the new auto price structure was viewed as an expression of optimism about the 1962 model-year sales outlook.

The industry had virtually completed its price announcements last week, leaving American Motors gearing to trumpet

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New York—A 2¢ cut in the price of aluminum ingot, to 24¢/lb., spread swiftly to billets and then in varying amounts up and down the line of fabricated and semifabricated products.

Aluminum Co. of America, which led off the initial reduction in the price of the basic metal, also triggered the extension of this cut to the product area. By the end of last week, other primary producers appeared ready to follow suit as they did on the aluminum ingot cut. Aluminum can sheet prices, however, were unaffected.

Alcoa's move was a counter-punch to an earlier action by Canada's Aluminium, Ltd., which gave its customers the option of

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Purchasing Week's Panorama

• **Role Playing Can Help the P.A.** sharpen his negotiating ability and do a better job. 'Professional Development Perspective' on page 16 shows how you can put this technique to work profitably at your meetings or in your departments.

• **'Operation Bootstrap'** is Armour & Co.'s designation for its own professional development program. The spread on pages 24 and 25 shows how Armour keeps its personnel up to date on new developments and trends in purchasing.

• **Are You Prepared for Disasters** such as Hurricane Carla kicked up a few weeks ago? 'Professional Perspective' on page 21 outlines some of the safeguards you might set up now to deal with such emergencies at your plant.

• **The Third Contingent of New Auto Models** undergoes scrutiny in 'Automotive Perspective' on page 32. Automotive Editor Donald MacDonald takes up the Rambler American and Classic, Lancer, Valiant, and F-85 in this week's edition.



BIG PULL: New palm-size magnet is more powerful than 20-ton unit (see story on page 27).

Purchasing Week's Purchasing Perspective

Industrial buying plans and those of individual consumers appear to be traveling apace on parallel courses. There's a growing gleam in the eyes of those buyers who have been considering the purchase of new autos, homes, furniture, and other consumer items.

But latest samplings of consumer attitudes indicate that, while confidence in the business outlook has improved decisively in recent months, spending for consumer goods will proceed at a "recovery" rather than a "boom" rate. Similar findings crop up frequently in current samplings of industrial purchasing plans: improved buying but no big spree.

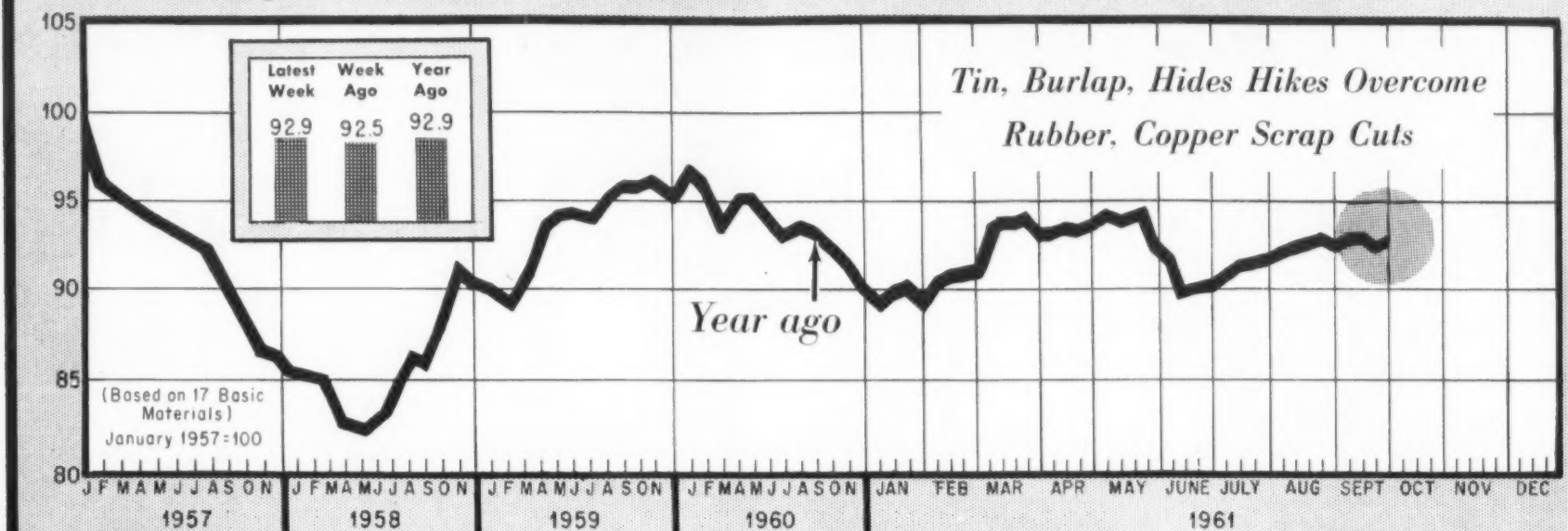
This somewhat cheery word on consumer moods comes from the University of Michigan Survey Research Center, which reports quarterly on householder attitudes and inclinations to buy. Its most recent assessment, completed only about three weeks ago, rates the consumer outlook as high as, or higher than, early 1960 peaks, but still under 1955-56 levels.

The Michigan survey, considered a useful guide to general market forecasting, thus may hoist the spirits of economists who

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Purchasing Week Industrial Materials Price Barometer

This index, based on 17 basic materials, was especially designed by the McGraw-Hill Department of Economics.



This Week's Commodity Prices

	Sept. 27	Sept. 20	Year Ago	% Yrly Change
METALS				
Pig iron, Bessemer Pitts., gross ton.....	67.00	67.00	67.00	0
Pig iron, basic, valley, gross ton.....	66.00	66.00	66.00	0
Steel, billets, Pitts., net ton.....	80.00	80.00	80.00	0
Steel, structural shapes, Pitts., cwt.....	5.50	5.50	5.50	0
Steel, structural shapes, Los Angeles, cwt.....	6.20	6.20	6.20	0
Steel, bars, del., Phila., cwt.....	5.98	5.98	5.975	+ .1
Steel, bars, Pitts., cwt.....	5.675	5.675	5.675	0
Steel, plates, Chicago, cwt.....	5.30	5.30	5.30	0
Aluminum, pig, lb.....	.24	.26	.26	- 7.7
Secondary aluminum, #380 lb.....	.212	.212	.234	- 9.4
Copper, electrolytic, wire bars, refinery, lb.....	.306	.306	.326	- 6.1
Brass, yellow, (sheet) lb.....	.493	.493	.506	- 2.6
Lead, common, N.Y., lb.....	.11	.11	.12	- 8.3
Nickel, electrolytic, producers, lb.....	.813	.813	.74	+ 9.9
Tin, Straits, N.Y., lb.....	1.223	1.205	1.023	+19.6
Zinc, Prime West, East St. Louis, lb.....	.115	.115	.13	-11.5
FUELS				
Fuel oil #6 or Bunker C, Gulf, bbl.....	2.20	2.20	2.30	- 4.3
Fuel oil #6 or Bunker C, N.Y., barge, bbl.....	2.62	2.62	2.62	0
Heavy fuel, PS 400, Los Angeles, rack, bbl.....	2.10	2.10	2.05	+ 2.4
Lp-Gas, Propane, Okla., tank cars, gal. (incl. discount).....	.025	.025	.045	-44.4
Gasoline, 92 oct. reg., Chicago, tank car, gal.....	.11	.11	.126	-12.7
Gasoline, 84 oct. reg., Los Angeles, rack, gal.....	.108	.108	.108	0
Kerosene, Gulf, Cargoes, gal.....	.095	.095	.09	+ 5.6
Heating oil #2, Chicago, bulk, gal.....	.088	.088	.095	- 7.4
CHEMICALS				
Ammonia, anhydros, refrigeration, tanks, ton.....	94.50	94.50	94.50	0
Benzene, petroleum, tanks, Houston, gal.....	.31	.31	.34	- 8.8
Caustic soda, 76% solid, drums, carlots, cwt.....	4.80	4.80	4.80	0
Coconut oil, inedible, crude, tanks, N.Y. lb.....	.125	.125	.14	-10.7
Glycerine, synthetic, tanks, lb.....	.248	.248	.293	-15.4
Linseed oil, raw, in drums, carlots, lb.....	.188	.188	.161	+16.8
Phthalic anhydride, tanks, lb.....	.175	.175	.185	- 5.4
Polyethylene resin, high pressure molding, carlots, lb.....	.275	.275	.275	0
Polystyrene, crystal, carlots, lb.....	.18	.18	.215	-16.3
Rosin, W.G. grade, carlots, fob N.Y. cwt.....	13.15	13.15	18.10	-27.3
Shellac, T.N., N.Y. lb.....	.31	.31	.31	0
Soda ash, 58%, light, carlots, cwt.....	1.55	1.55	1.55	0
Sulfur, crude, bulk, long ton.....	23.50	23.50	23.50	0
Sulfuric acid, 66% commercial, tanks, ton.....	22.35	22.35	22.35	0
Tallow, inedible, fancy, tank cars, N.Y. lb.....	.056	.058	.056	0
Titanium dioxide, anatase, reg. carlots, lb.....	.255	.255	.255	0
PAPER				
Book paper, A grade, Eng finish, Untrimmed, carlots, cwt.....	17.75	17.75	17.75	0
Bond paper, #1 sulfate, water marked, 20-lb, 16-carton lots, cwt.....	25.20	25.20	25.20	0
Chipboard, del. N.Y., carlots, ton.....	100.00	100.00	100.00	0
Wrapping paper, std. Kraft, basis wt. 50 lb rolls.....	9.50	9.50	9.50	0
Gummed sealing tape, #2, 60 lb basis, 600 ft. bundle.....	6.30	6.30	6.30	0
BUILDING MATERIALS				
Cement, Portland, bulk carlots, fob New Orleans, bbl.....	3.65	3.65	3.65	0
Cement, Portland, bulk carlots, fob N.Y., bbl.....	4.20	4.20	4.18	+ .5
Southern pine, 2x4, s4s, trucklots, fob N.Y., mftbm.....	110.00	110.00	120.00	- 8.3
Douglas fir, 2x4, s4s, carlots, fob Chicago, mftbm.....	122.00	122.00	134.00	- 9.0
Spruce, 2x4, s4s, carlots, fob Toronto, mftbm.....	82.00	85.00	82.00	0
Fir plywood, 1/4" AD, 4x8, dealer, crld, fob mill, msf.....	64.00	64.00	68.00	- 5.9
TEXTILES				
Burlap, 10 oz. 40", N.Y., yd.....	.132	.129	.122	+ 8.2
Cotton middling, 1", N.Y., lb.....	.355	.354	.323	+ 9.9
Printcloth, 39", 80x80, N.Y., spot, yd.....	.178	.178	.190	- 6.3
Rayon twill, 40 1/2", 92x62, N.Y., yd.....	.205	.205	.225	- 8.9
Cotton drill, 1.85, 59", 68x40, N.Y., yd.....	.375	.36	.37	+ 1.4
Wool tops, N.Y., lb.....	1.610	1.660	1.455	+10.7
HIDES AND RUBBER				
Hides, cow, light native, packers, Chicago, lb.....	.215	.205	.165	+30.3
Rubber, #1 std ribbed smoked sheets, N.Y., lb.....	.300	.305	.350	-14.3

Vol. 4, No. 40

PURCHASING WEEK is published weekly by McGraw-Hill Publishing Co., Inc. Executive, Editorial, Circulation, and Advertising Offices: McGraw-Hill Building, 330 West 42nd St., New York 36, N. Y. Printed in Albany, N. Y. Second-class postage paid at Albany, N. Y. Subscription \$6 a year in U. S. A. Single copies: 50¢. Postmaster . . . Please send form 3579 to PURCHASING WEEK, 330 W. 42nd St., N. Y. 36, N. Y.

Purchasing Week's

Price Perspective

BREAKING NEW GROUND—The decision of steel, aluminum, and automobile producers to hold the price line (see page 1) is without precedent in postwar history.

In all previous pickups these basic products have always led industrial prices to new high ground.

What's the difference this time around? It can be summed up in two words: overcapacity and imports. It's a combination of these two factors that's keeping the pressure on each of these bellwether products.

IN ALUMINUM—Although demand has risen in the past few years, capacity has gone up much faster.

Thus, despite current inroads made in the canning, construction, and auto markets, domestic producers of the light metal are still operating at under 80% of capacity. And more capacity is on the way as many fabricators enter the field to rid themselves of dependence on the large integrated producers.

Imports play a key role in pricing, a fact that was amply demonstrated by Aluminium, Ltd., of Canada. This traditional price leader set off the current slide by offering American buyers ingot at the equivalent of 23.8¢/lb. at the U. S. border. Domestic producers had little alternative but to follow suit.

IN STEEL—Operating rates are still in the "low 70's." And while they may climb close to 80% before the year is out, nobody sees 1962 averaging out at more than 75% of capacity.

As for import competition, a look at the latest statistics tells the story. Imports in July were at the highest rate in 15 months. And Japan and the Common Market countries have again started price shading—as their own fast-growing capacity begins to exceed domestic demand.

IN AUTOS—The capacity and import factors are just as important a price determinant here, though not so widely publicized.

Domestic producers are geared to turn out upward of a million more cars than the 6 1/2-million to 7-million units that they expect to sell in 1962.

On the import front, the threat of an influx of small foreign cars can't be overlooked. True, Detroit has managed to reverse the trend toward foreign makes (imports this year will capture only about 7% of the market, compared to the 10% high-water mark of 1959). But automakers don't want to spoil it all by pricing themselves out of the market again.

FOLLOW THE LEADER—The current anti-inflationary price climate isn't limited to industrial quotations. Consumer prices seem to be following suit.

New cost-of-living reading of 128 (1947-49=100) means that prices in this area have risen only 1/2% since the first of the year—less than in any comparable period since 1955.

The near-term outlook is also bright. While there may be some increases in early fall (mainly because new cars generally sell at or just below lists), they will, to a large extent, be offset by food declines in November and December.

This means that "cost-of-living" pay boosts will be small, thereby tending to ease the wage-cost pressure on many suppliers.

But equally important, projected stability will have a healthy effect on buying. Almost the entire 3% average wage increase over the past year will be translated into a real purchasing power gain.

October 2, 1961

Gasoline Tags Tumble in Three Areas As Price Warfare Breaks Out Anew

New York—Gasoline price competition flared up again last week in the Mid-Continent area, Virginia and the Carolinas.

Mid-Continent refiners cut prices 1/2¢/gal. on branded gasoline—the fifth price cut in two months. In Virginia and the Carolinas, Esso and Mobile cut their dealer tankwagon prices up to 2¢/gal.

"New marketing techniques initiated by major petroleum companies to meet unbranded gasoline competition are responsible for price deterioration in the East Coast trouble spots," said a major oil company executive. "Trouble spots" were pinpointed at Charlotte, N. C.; Norfolk, Va.; and the Utica-Syracuse area in New York.

The Mid-Continent tag cuts, according to industry observers, stem from excessive inventories as well as unbranded competition.

Esso made a move to stabilize

tags in upstate New York by raising dealer tankwagon prices from 1/2¢ to 3 1/2¢/gal. "But there's no guarantee the others will follow," commented one petroleum expert. "And if they don't, the Esso hikes won't stick."

Except for the extremely low prices in these areas, and below-normal levels in a few areas such as New England (where Esso also adjusted prices upward), gasoline prices are in fair shape, according to informed industry opinion.

This Week's Scrap Prices

	Sept. 27	Sept. 20	Year % Yrly Ago Change
Steel, #1 hv, dlvd Pitt, ton.....	38.00	38.00	30.50 +24.6
Steel, #1 hv, dlvd Cleve, ton.....	37.00	37.00	32.50 +13.8
Steel, #1 hv, dlvd Chic, ton.....	41.00	40.00	28.00 +46.4
Copper, #1 wire, dlr buy, feb NY, lb.....	.24	.245	.225 + 6.7
Copper (hv) & wire mix, dlr buy, feb NY, lb.....	.22	.225	.205 + 7.3
Brass, light, dlr buy, feb NY, lb.....	.125	.125	.105 +19.0
Brass, hv yellow mix, dlr buy, feb NY, lb.....	.15	.15	.125 +20.0
Alum (cast), mixed, dlr buy, feb NY, lb.....	.10	.10	.10 0
Alum (sheet), old clean, dlr buy, feb NY, lb.....	.095	.095	.095 0
Zinc, old, dlr buy, feb NY, lb.....	.03	.03	.035 -14.3
Lead, soft or hard, dlr buy, feb NY, lb.....	.07	.07	.083 -15.7
Rubber, mix auto tires, dlvd Akron, ton.....	11.00	11.00	11.00 0
Rubber, synth butyl tubes, East, dlvd, lb.....	.068	.068	.07 - 2.9
Paper, old corrug box, dlr, Chic, ton.....	19.00	19.00	18.00 + 5.6
Paper, #1 mixed, dlr, NY, ton.....	3.00	3.00	1.00 +200.0
Polyethylene, clear, dlr, NY, lb.....	.05	.05	.10 -50.0

Hughes Tool Co. Offers New Rebuilding Service

Houston—Hughes Tool Co. will offer a rebuilding service for machine tools and related equipment at its plant here.

Aimed at a 20-state area across the southern half of the country, the rebuilding program is part of a diversification move begun when a slump in oil and gas drilling adversely affected Hughes' petroleum industry tool operation.

Machine tools completely rebuilt at the Hughes plant will carry the same 12-month guarantee as new equipment, said M. E. Montrose, senior vice president.

Price Briefs

Industrial cotton fabrics—Higher raw cotton costs caused Wellington Sears to kick off price boosts of 1¢ to 1 1/2¢/lb. for industrial cotton grey goods, including sateens, wide drills, wide osnaburgs, and broken twills.

Styrene compounds—Union Carbide scheduled a 1¢/lb. increase on Oct. 9 for its crystal, natural, and colored general purpose and medium impact styrene compounds.

Copper roofing sheet—Revere Brass cut its copper roofing sheet, roll, and strip prices in all standard sizes by 3/4¢/lb., bringing these tags to what they were two weeks ago. The reason: Prices on competing imports, which had been rising, began to soften.

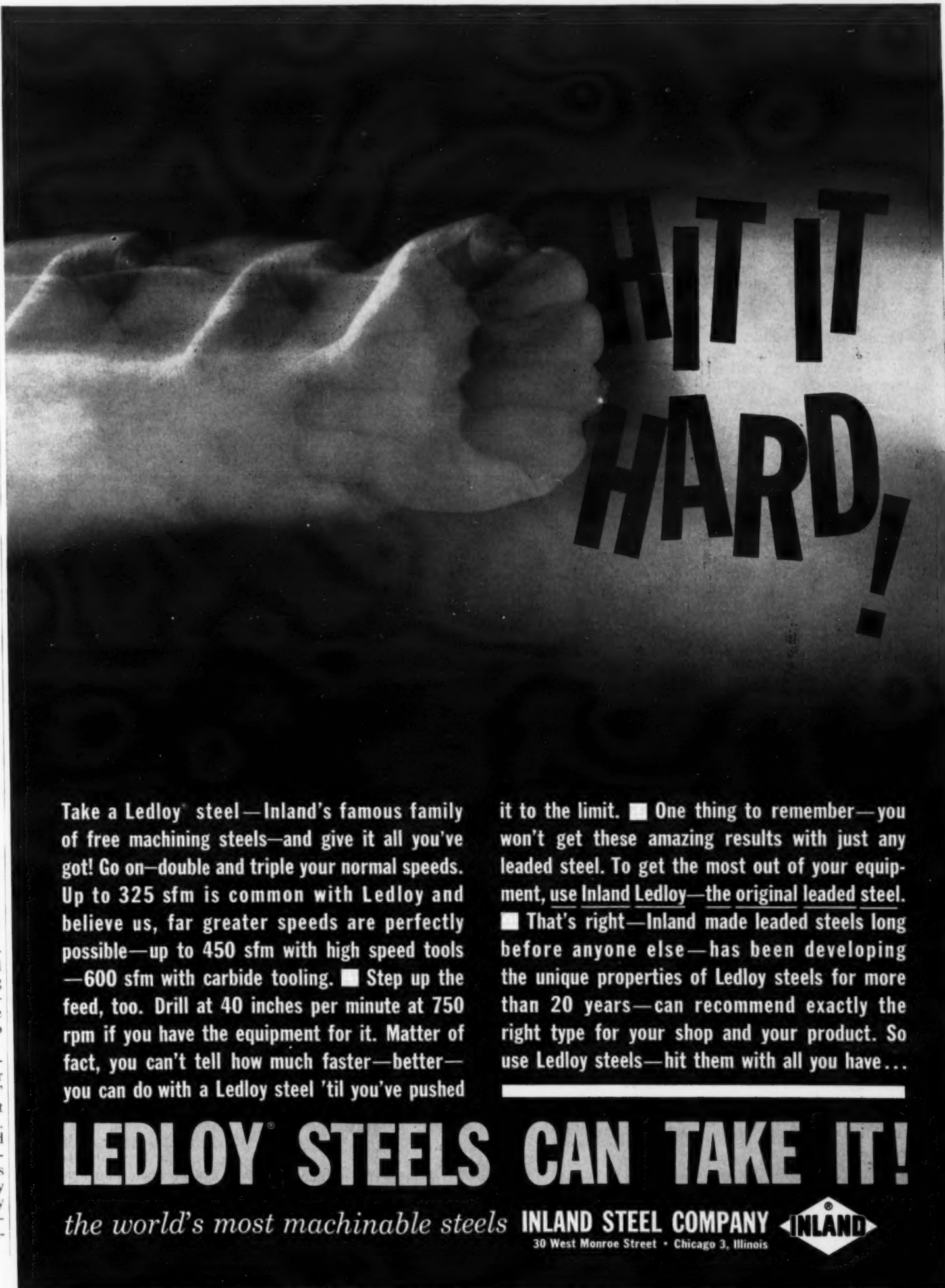
Heating oils—The usual seasonal price advance for fuel oil in the East may be long delayed. Recent heavy inventory building in anticipation of a September shipping strike that did not materialize, plus warm weather, should keep a tight rein on heating oil prices.

Transfer 'De-Unionizes' Forty Purchasing Clerks Employed at Youngstown

Youngstown, Ohio—Youngstown Sheet & Tube Co. said about 40 clerks in its purchasing department have been "de-unionized" by their transfer from the company's Campbell Works to the general offices here.

The steel company had requested that the National Labor Relations Board "de-unionize" the clerks on the grounds that they are confidential employees.


The purchasing clerks had been covered by United Steelworkers of America contracts while at Campbell. When they were moved to Youngstown, they became the only white-collar personnel covered by union contracts at the general offices.



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Cities Map Fight to Win Bid Rigging Damages

New York—Legal officers from 500 large and small cities met here last week to plan a joint campaign for recovering damages from electrical companies indicted for rigging bids.

The strategy session was held during the annual conference of the National Institute of Municipal Law Officers at the Waldorf-Astoria Hotel.

While emphasizing the need for speedy action, the attorneys outlined a number of hurdles which must be overcome before their campaign can swing into high gear. Among them:

• **Reporting of data.** Quicker, more accurate, and more complete reporting of figures on electrical equipment bids is needed. To facilitate this, it was suggested that P.A.'s be asked to open their books to electrical engineers who are thoroughly familiar with the electrical equipment involved.

• **Expense.** Antitrust suits tend to be long-drawn-out affairs, and expenses are correspondingly high. One attorney, noting that it took the Justice Dept. almost seven years to prepare the Philadelphia indictments—even with all the resources of the government at its disposal—estimated the cost of preparing a case at \$100,000.

• **Damages.** Many utilities have been unable to determine the extent to which they suffered damages—or whether in fact they were damaged at all. Reports were that the government did not specify damages in its most recent suit (see page 6) simply because buyers and appraisers for the Tennessee Valley Authority, the Dept. of the Interior, and the Dept. of Defense could not agree on the figures.

John C. Melaniphy, president of the Institute and Corporation Counsel for the City of Chicago, said bid rigging by electrical manufacturers had occurred in nearly every city in the U. S. Noting that an Institute survey of 66 cities showed they had purchased over \$260-million worth of equipment during the period of the alleged conspiracy, he said reliable estimates of damages range from 10% up.

Featured speaker at the meeting was Sen. Estes Kefauver (D-Tenn.), who charged that the electrical manufacturers were sending representatives to municipalities in his state to try to discourage them from suing for triple damages.

An Institute task force report on bid rigging contended that

electrical companies were "using every means of discouragement." The report cited the experience of a city attorney who had arranged for talks on a possible settlement with one of the firms. The company first told the attorney it would be happy to sit down with him, according to the report, then did an about-face when the discussions began and claimed the city actually obtained the equipment at 41% below cost.

Investigations May Spread

Kefauver also told the law officers he "would not be surprised" if the Justice Dept. files charges against electric motor manufacturers for possible grand jury action. This would broaden the bid rigging investigations, which to date have involved such products as switchgear assemblies, turbines, and distribution transformers.

Kefauver's Senate Antitrust and Monopoly Subcommittee was scheduled to resume hearings this

week on bills aimed at putting more teeth in the antitrust laws.

While the municipal attorneys stressed the difficulties in preparing and winning damage suits, reports circulated at the meeting that federal government attorneys were considerably more optimistic. From Philadelphia came word that the Justice Dept. was offered an out-of-court settlement by the nine major insulator manufacturers named in its most recent suit, but that the offer was turned down because antitrust lawyers feel they will "win easily."

Another reason for refusing the settlement: Top Justice men want to set a definite dollar standard for civil suits yet to be filed by nongovernmental customers of the insulator suppliers.

Observers feel that, when government attorneys do name damages, they will be precise and specific. The Justice Dept. may quote the damages slightly on the "low side" in order to improve chances for a quick win.

Aluminum, Autos Join Forces to Set Price Fashions for Next Few Months

(Continued from page 1)
the-board price increases ahead."

While the experts do not rule out increases in individual lines where demand is picking up sharply (paper, for example), they see general industrial prices holding within a very narrow range over the next three to six months.

Lack of any sustained uptrend also can be seen in the current difficulties of making price hikes stick. Over recent months, producers of key commodities such as polystyrene, stainless steel, and metal conduit have had to back down after announcing price hikes. (Polystyrene producers, at present, are making a second attempt to boost tags.) It's also questionable whether other increases (in bearings and fork lift trucks, for example) will stick.

Pressure to Stay on Steel

Most experts agree that price pressure will stay on steel. At last week's meeting of the New York Security Analysts Assn., which was devoted to steel, every speaker saw continued rough going for this metal. One of the speakers saw 1962 steel output totaling not much more than 110-million ingot tons. While that is considerably above the 97-million to 100-million tons

expected for this year, it would still leave 1962 production at only about 73% of capacity—hardly the climate for a price increase.

Many analysts feel that any competitive respite for steel will not come in form of capacity operation, but rather in the form of production economies which actually would lower prices. Thus, another steel expert talking before the Security Analysts group pointed out that the real hope for steel lies in the spreading use of the oxygen process, sintering of ore, and electronic improvements in rolling mill production.

Other Tags Seen Steady

Stability of steel prices means steel users, with few exceptions, probably will also keep their tags unchanged. A case in point is the auto industry which announced list prices last week that were virtually unchanged from last year—and about 2% below the peak hit in 1959.

A hint that makers of capital goods also would hold the line came a few weeks ago following a price boost by two producers of machine tools. Most other tool makers said that current market conditions made price raising out of the question at this time. Several intimated that only a hike in steel might change their minds. But with this possibility fading rapidly, prices in key machinery lines will probably jog along at current levels.

The cut in aluminum prices strengthens the feeling among buyers that the metal industry, as a whole, is in trouble—and may be willing to shade other prices to maintain volume. This is particularly true of steel. For, according to one industry estimate, some 30%-50% of the aluminum sold competes directly with steel.

The price cuts also could have a direct effect on semifabricated and fabricated aluminum products, relieving cost pressure on many aluminum industries.

Willys Introduces Bigger Brother Of Jeep Fleetvan Delivery Truck



JEEP FLEETVAN: Designed for general light pickup and delivery duty, Willys' new half-ton walk-in vehicle has cargo area of 170 cu. ft., an enlarged version of Fleetvan model built for U. S. Post Office Dept.

Toledo—Willys Motors, Inc., unveiled an enlarged version of its Jeep Fleetvan, a half-ton walk-in type delivery vehicle produced originally for the U. S. Post Office Dept. Willys currently is building 6,025 units for Post Office service.

The commercial Fleetvan has

a spacious cargo area of 170 cu. ft. with a payload capacity of 1,000 lb. A compact wheelbase of 81 in. and over-all length of 154 in. make it highly maneuverable in traffic. The vehicle, with a GVW rating of 4,000 lb., is powered by a 4-cyl., F-head Hurricane engine.

Detroit in Hold-the-Line Tactics On Prices of 1962 Model Cars

(Continued from page 1)
news of "substantial" reductions on most of its Rambler models. AMC prepared the way for its price story, due later this week, by reducing its dealer discount margin to 21% from 23% on all models but its top-line Ambassador. But unless AMC has something else to add, this action could be called a consumer bene-

fit only if it is assumed that the customer makes a practice of paying the full "sticker" price.

At any rate, the dealer discount reduction gives Rambler leeway to announce reductions on its suggested factory list prices and at the same time puts Rambler in line with its competition on this score. Standard practice with most compact brands has been a 21% to 22% sticker markup. Standard-sized cars normally allow the dealer a 25% markup; some luxury makes go to 28%.

New Research Agency To Study Procurement, Other Defense Problems

Washington — The Defense Dept. is setting up a nonprofit research organization, the Logistics Management Institute, to study problems in military procurement, production, and other defense supply matters. Its relationship to the office of the Secy. of Defense will be similar to that of the Rand Corp. and Aerospace Corp. to the Air Force and the new Research Analysis Corp. to the Army.

In short, the institute will serve as an "idea factory" or "braintruster" in the defense supply management field.

The institute's headquarters will probably be in Washington, D. C. Its operations will be directed by a board of trustees made up of prominent industry and academic men active in military supply matters. The organization will do its work on contract to the office of the Secy. of Defense and will provide what one Pentagon official calls "the analytical capabilities" to study logistics problems.

One of the institute's first major projects will be to propose a new and comprehensive system for evaluating defense contractor performance from both business management and technological views. The implications of such a system would be wide-ranging. It would provide the basis for determining profit rates to reward or penalize contractors on performance.

General Motors led the auto price parade by announcing prices that were equal to or \$10-\$12 lower than similarly equipped 1961 models. Main difference was making the heater-defroster standard equipment and adding the \$69 to \$120 cost (Corvair to Cadillac). Thus a Chevrolet Biscayne two-door that cost \$2,124 (factory suggested list, excluding taxes, handling charges, transportation, etc.) with heater in 1961 now is tagged at \$2,114. The \$10 reduction in some measure reflects manufacturing savings realized from installing heaters on 100% of production.

There was considerable sparing on the price of Chevrolet's new Chevy II, GM's answer to the Ford Falcon. Its \$1,827 suggested factory list price includes the heater, as does Falcon, but Falcon still retains a \$55 advantage with its standard 6-cylinder engine. On the other hand, the much smaller Corvair starts at \$1,817, \$12 under last year, including the heater.


Chrysler Corp. did not include the heater as standard equipment, but decided to capitalize on its newly streamlined administrative and overhead structure by reducing prices on most models by an average of \$50.

Studebaker is a paradox. Criticized for stubby cars in past years, it increased its Lark lengths by about 1.6% (9 to 13 in.) but increased the prices of most of its models by almost the same amount, 1.4%.

Weekly Production Records

	Latest Week	Week Ago	Year Ago
Steel ingot, thous tons	2,114	2,032*	1,547
Autos, units	80,127	69,283*	124,354
Trucks, units	18,865	18,436*	21,102
Crude runs, thous bbl, daily aver	7,891	7,241	7,963
Distillate fuel oil, thous bbl	12,882	11,931	12,624
Residual fuel oil, thous bbl	5,720	5,651	6,388
Gasoline, thous bbl	28,196	26,218	28,575
Petroleum refineries operating rate, %	79.5	73.0	81.4
Container board, tons	192,371	179,076	168,175
Boxboard, tons	103,841	98,935	97,313
Paper operating rate, %	92.6	70.0*	93.2
Lumber, thous of board ft	228,684	194,810	234,178
Bituminous coal, daily aver thous tons	1,462	1,441*	1,388
Electric power, million kilowatt hours	15,025	15,869	14,156
Eng const awards, mil \$ Eng News-Rec	465.4	399.6	409.5

*Revised



**Cost-per-gallon
is a drop in the bucket!**

(The **big** savings in **Barreled Sunlight Paints** are in their lower "on-the-wall" costs.)

What you pay for paint "in the can" is a small part of your total tab for paint maintenance. It's what you pay for the applied cost per square yard—the "on-the-wall" cost—that really adds up to a debit or credit on your paint purchase order. ✓ ✓ This is why an increasing number of plant engineers and maintenance men are asking for Barreled Sunlight Engineered Paints by name. Their experience has proved that Barreled Sunlight Paints not only cost less to apply (because they go on faster, easier, with fewer coats) but actually last longer under tough conditions. ✓ ✓ Before you buy *any* paint—at any price!—have a Barreled Sunlight Engineered Paint representative prove the economy of quality with an actual "On-The-Wall" Demonstration in your plant. No charge . . . no obligation. Write Barreled Sunlight Paint Company, 126J Georgia Avenue, Providence 5, Rhode Island

2 FREE GUIDES

The famed Barreled Sunlight "Quick Reference Guide" to more than 50 Engineered Paints, Primers and Undercoats plus a 10-page booklet on "How To Reduce Painting Costs." Write for them.



Barreled Sunlight

Paints

For a Better Looking, Longer Lasting Paint Job at Lower Cost

American Airlines Proposes Tariff Based Solely on Weight of Shipment

Washington—American Airlines has proposed a new air freight tariff which would fix rates on the basis of a shipment's weight, regardless of its contents. Under the proposal, effective Oct. 23 if approved by the Civil Aeronautics Board, some existing rates would be lowered, while others would be increased.

The American proposal would simplify the existing tariff which specifies different rates for hundreds of commodities depending on their classification. It would junk the whole classification system and set a flat rate based on a shipment's weight and the distance it is to move.

Thus, the charge of a 100-lb. movement of any commodity from Los Angeles to New York would be \$17.90. Existing rates range from a low of \$15.95 for such items as nuts and bolts to \$26.60 for electrical appliances.

From San Francisco to Chicago, the new rate for a 100-lb. shipment would be \$13.40. The range has been from \$12.25 for pharmaceuticals to \$20.35 for automobile accessories.

The proposed tariff would also establish a new off-peak service on major long-haul routes for freight received by American at the airport between 9 a.m. and 3 p.m.—the hours of lowest freight activity. A 25% reduction will apply during these hours to shipments between New York and Chicago, and between Los Angeles or San Francisco and Boston, Cleveland, Detroit, New York, or Chicago.

The tariff also provides standardized discounts for volume shippers.

American's proposal follows a new tariff filed by the Flying Tiger line, to become effective Oct. 16 if CAB approves (see story, page 26). Flying Tiger takes the opposite approach, however. It would expand the

classification system to cover approximately 10,000 items but base the classification on density rather than value of service. Goods of high density occupying little plane space would reap a rate advantage.

United Airlines is working on a new air freight tariff which it expects to file soon. Trans World is studying the American and Flying Tiger proposals but has reached no decision on whether to revamp its own.

Pricing Policies Scored In Valve, Plumbing Field

San Francisco—Wholesalers were blamed for the lack of a firm pricing policy in the valve and plumbing industry.

T. M. Evans, chairman of Crane Co., told the 10th annual convention of the American Institute of Supply Assns. that his firm had tried to establish firm pricing schedules which gave wholesalers the same price whether buying for their own inventory or for a special project, but that it could not be maintained because "wholesaler acceptance was lacking."

Wholesalers as well as manufacturers suffer financially from "special job pricing," Evans said. Wholesalers who ask manufacturers to outbid each other on large projects can reduce the wholesaler's function to that of an "order taker" and endanger the "economic justification" for a wholesaler's discount, he declared.

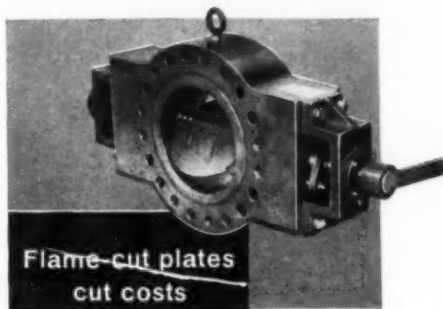
Justice Files Eighth Suit Against Electrical Firms

Washington—The Justice Dept. last week filed another damage suit, its eighth, against electrical manufacturers named

in price fixing cases. The latest complaint was brought against nine makers of electrical insulators on behalf of federal government purchasers and the Tennessee Valley Authority.

It did not specify damages because, according to Atty. Gen. Kennedy, the department has not completed its analysis of government insulator purchases during the time of the alleged price-fixing conspiracy. The government claims prices were forced higher as a result of illegal pricing collusion. It asked triple damages on behalf of TVA and double damages, under the False Claims Act, and actual damages for other government agencies.

METALLOGICS* IN



Flame-cut plates cut costs

HIGH REJECTS: Use of flat steel castings for valve bodies, with I. D. ranging from 4" to 60", accounted for increases in costs for this manufacturer. Pattern costs rose because of numerous changes... rejects were high due to porosity and other casting faults that showed up only after machining.

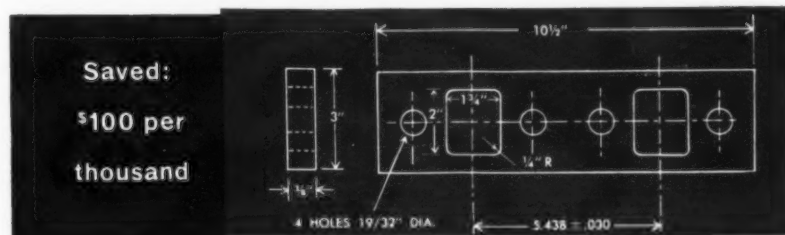
HIGH QUALITY: Ryerson recommended using flame-cut plates ranging in thickness from 1" to 8". Results: greater production flexibility, faster delivery, lower cost and a stronger product for this high-pressure service. Tight Ryerson quality control delivered plates of exceptionally clean surface to exact thickness of finished product, requiring little machining.

Look at these random examples and see how Ryerson Metallogics sparks real savings by continually searching for and suggesting new materials, methods and techniques.

The broadest experience anywhere combines with the widest range of stocks available to offer you unbiased recommendations on the best material for any job—be it steel, aluminum or plastics. Always the right metal-fabricating machine, too—for Ryerson is the nation's largest distributor.

Your Ryerson representative is "Metallogics-trained" to help you value-analyze selection, fabrication and application problems. Get his constructive ideas soon, and see how he can help you select and apply material from our vast stocks. It's the "Metallogical" thing to do.

*The Ryerson science of giving optimum value for every purchasing dollar.



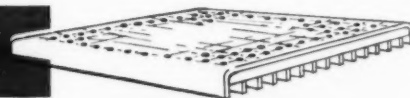
Saved:
\$100 per
thousand

PROBLEM: Muffler manufacturer required accurately finished mounting plates made from 3/8" x 3" bar. Cutting bars to size, burning 1 1/4" x 2" holes and drilling four 19/32" holes proved time-consuming and expensive.

SOLUTION: Ryerson recommended

that they eliminate cutting, burning and drilling operations by stamping the part from Ryerson forming-quality plate. One operation instead of three cut costs \$100.00 per thousand pieces and quickly justified the small initial investment in dies.

Suggestion
saves 85%



ASKED FOR: Customer wanted 1" hot rolled plate to cover about 80' of 24" open trench. Plate was to be cut into 24" x 27" segments—each containing 900 3/4" holes to filter the product.

RECOMMENDED: After studying

application and cost, Ryerson recommended a design combining perforated light plate, formed to channel shape, and grating for structural support. Ryerson experience and imagination saved 85% of the original cost.



Machine cut rings solve problem

PLATES REQUESTED: Ryerson was asked to bid on supplying 1/4" Type 410 stainless in 27 1/4" square plates. Material was to be used for orifice plates for 16" burner, subjected to elevated temperatures.

RINGS RECOMMENDED: Going beyond material specs, the Ryerson representative found that the customer intended to cut plate into 27 1/4"-diameter rings with 13.120" bore—and then mill 12 slots in outer diameter for expansion relief. Knowing the application, Ryerson recommended supplying machine-cut rings in which slots could then be punched rather than milled. Production savings enabled switching to Type 304 at less cost than Type 410 with slots milled.

Soft touch on fabricating sheets

THE NEED: Cold rolled sheets that would take severe forming and retain smooth, dull surface for high lacquer finish. Sheet quality was found on inspection to vary widely from one shipment to the next, causing variations in forming and finishing operations... high reject rate.

THE ANSWER: The Ryerson representative showed how our stringent quality controls would assure consistent quality on every shipment so that forming and finishing could be standardized for better results... lower production cost figures.



GSA Sells 737 Tons Of Stockpiled Tin; New Sale in Prospect

Washington—General Services Administration has sold 737 tons of Longhorn tin out of a total lot offering of 817 tons. U.S. Steel Corp. bought 200 tons; Metal Traders, Inc., of New York bought 500 tons; and Brandeis, Goldschmidt & Co. of New York bought 37 tons.

Prices for the successful bids ranged from \$1.1865 to \$1.2138. GSA said it had no immediate announcement for further selling of the remainder of the 4,000 tons of Longhorn tin it has been selling but future announcement could be expected later on in the year.

The agency said Congress did not give it authority to waive the six-month waiting period for 10,000 tons of tin out of the 50,000 tons it asked to be released from the strategic stockpile. But a GSA spokesman said that the agency could start selling the 50,000 tons of stockpiled tin next spring (i.e., six months after the date it was asked to be released) if Congress authorized the move in the next session starting in January.

Washington Perspective

Efforts are being made to cut the massive quantities of red tape surrounding defense procurement. Studies toward this end are being conducted by the Air Force in cooperation with major defense contractor trade associations—National Security Industrial Assn., Electronics Industries Assn., and Aerospace Industries Assn.

The program is an outgrowth of a conference Aug. 22-23 between officials of the associations and the Air Force (see page 1).

One goal is to consolidate or remove the mass of "boilerplate" clauses in defense procurement contracts. These set forth the basic conditions for doing business with the government—including such standard but legally complex issues as military

security requirements, use of convict labor, preference for domestic commodities, reporting of royalties. One idea is to place such clauses in a special pamphlet for all contractors, with only a brief reference to them in the contract.

The associations also are working up recommendations for improvements in contract pricing techniques.

The Defense Department is setting up a unified training program for military contracting personnel. This is another step in the over-all move to standardize military procurement procedures.

Until now, each of the services has conducted its own procurement training programs. Under the new setup, about 14 joint training courses will be established, with each service responsible in its specialty.

The government's multibillion-dollar space program is bound to cause some relocations by major industries. And the best bet is Texas—particularly the rapidly expanding Houston area. The

National Aeronautics and Space Administration already has selected a 1,000-acre tract near Houston for the new \$60-million manned space flight laboratory that will be used to train astronauts and test equipment for projected flights to the moon. Major suppliers will want to locate plants near this center.

Still to be selected by NASA is a test area for the big boosters that will propel man through space. Static testing of these engines is necessary before they are shipped to Cape Canaveral, Fla., for actual firing. Launching site for getting the three-man Apollo space capsule to the moon and back will be an 80,000-acre tract adjoining Canaveral. It is likely that the test facilities—like the space laboratory—will be in Texas. The powerful boosters will be built at the government-owned Michoud ordnance plant 15 miles east of New Orleans.

All this adds up to a long-range program that will total \$40-billion or more before it is over. Involved are a multitude of industries—from basic construction firms to producers of the most intricate electronic components and exotic fuels. Early in September, for example, NASA awarded a \$140-million contract to North American Aviation to develop and build ten S-II boosters, each to use four liquid oxygen-hydrogen engines. Bids are coming in from industry on the S-I booster.

On Oct. 9, NASA will open bids for building the three-man Apollo space capsule that will make the trip to the moon and back by 1967-69. Total cost of the Apollo program is expected to run well over \$1-billion before the lunar landing is made. Some \$160-million is earmarked for the project in this fiscal year alone.

Thus, virtually every major company in the space business is making a bid. These are expected from the following firms, either individually or as teams: Boeing Airplane Co., Ling-Temco-Vought, General Dynamics Corp., Douglas Aircraft Co., General Electric Co., Goodyear Aircraft, Grumman Aircraft Engineering Corp., Lockheed Aircraft Corp., Martin Co., McDonnell Aircraft Corp., North American Aviation, and Republic Aviation Corp.

A quick court decision is expected on whether or not the Interior Dept.'s method of allocating foreign oil among importers is discriminatory. Standard Oil (N. J.) contends it is and has asked the U. S. District Court in Washington to so rule. The Justice Dept., replying to the company suit several weeks ahead of schedule, asked for an early decision. The court probably will rule before Christmas.

What Jersey Standard is fighting is a sliding scale provision that gives the big companies proportionately less of the foreign oil than small refiners get. If Jersey Standard wins, the department would have to base import quotas on a percentage of refinery production. Small independent refiners thus would be entitled to less imported oil. Government attorneys don't believe Jersey Standard has much of a case.

ACTION

Production
upped 30%



BEFORE: Job shop was using MT 1015 tubing in the manufacture of this coupling. Machinability was satisfactory, but rising costs of operation led to a search for ways to economize.

AFTER: Careful study by the Ryerson representative brought about a change in material. He recommended using Ledloy® 170 tubing, which increased machining speed to 170 s.f.m. and stepped up production 30%. Ryerson's stocks include the widest range of fast machining alloys—types and sizes to fit your every need.

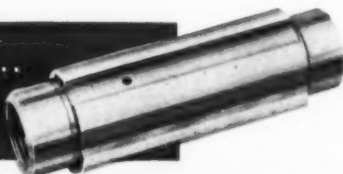
PVC
cuts costs 50%



OLD WAY: A screw machine shop used nylon in the manufacture of nipple adapter and coupling nuts—until a Ryerson representative came on the scene.

NEW WAY: At his suggestion, they changed to Ryertex-Omicron PVC—cut costs 50%. PVC machined better—to closer tolerances, with improved finish... ran faster without "gumming." Note exact cutting of threads and barbs. Threads fit perfectly.

Deeper cut...
better
finish

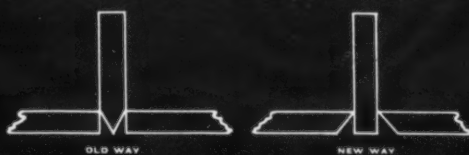


SEARCH: Complicated machining of a carbide grade gear shaft included cuts up to 1/2". It was discovered that required machining was too slow with the steel chosen for the job.

ANSWER: Rycut® 40 was recommended by the Ryerson representa-

tive. This free machining alloy fit the situation perfectly. The company found that Rycut 40 machined at 250 s.f.m., gave a better finish, increased tool life, and lowered total per-piece cost. An alloy in the Rycut series may well lower your costs.

New
material,
method and
results

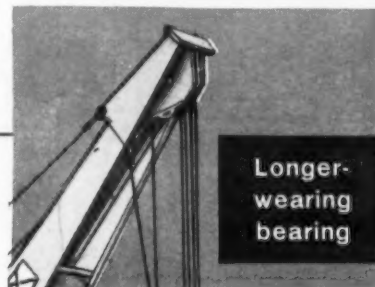


OLD: Rows of vertical aluminum grid members were attached to an aluminum base plate by notching the grid members and welding. (2024-T3 aluminum plate was used.) However, upon cooling, welds fractured—causing a high reject rate on this assembly.

NEW: A Ryerson representative sug-

gested undercutting the base plate (as shown) instead of the grid members. This exposed a greater area to heat and permitted a larger deposit of weld material. Another Ryerson suggestion: change material to 5052-H34 aluminum, which responds better to welding operations.

Longer-
wearing
bearing



5-DAY LIFE: The sheaves that guide the enormous digging buckets of underwater dredges take a very severe load. Bronze bearing in the sheaves had to be replaced every four or five days.

5 MONTHS, SO FAR: After discussing the problem with a Ryerson man, the chief engineer decided to try a bearing made of Ryertex. The change was made, and five months later hardly any wear was noticeable! With its low friction coefficient, Ryertex is nonbinding, even on itself.

2 metalworking machines
for the price of 1

A fabricator of stainless steel kitchen equipment was recently in the market for a new squaring shear. The one under consideration had a gap-type frame which would enable him to do an important notching operation—necessary for certain sink tops. After careful study, a Ryerson machinery specialist recommended two pieces of equipment instead of one at no increase in total cost. The first, an under-driven shear. The second, a universal-type sheet metalworking machine that would do the required notching, plus many other jobs—adding versatility to the entire operation.

PRODUCTS IN STOCK

STEEL—carbon, alloy, and stainless steel—bars, structurals, plates, sheets and strip, tubing, etc.

ALUMINUM—sheet (including new building sheet), plate, coils, rod and bar, tubing and pipe, building products, etc.

INDUSTRIAL PLASTICS—Ryertex-Omicron PVC in all forms. Also Ryertex® laminated phenolic plastics for bearings.

METALWORKING MACHINERY—the broadest line available from a single source for every kind of metal fabrication. Also specialized line of material handling equipment.

RYERSON

METALLOGICS

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STEEL • ALUMINUM • PLASTICS • METALWORKING MACHINERY

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General Electric Makes Eddy-current-coupling Drives

And they're dependable drives. The complete line includes water-cooled and air-cooled eddy-current couplings. We call them ***KINATROL**** drives. Ratings are from 1 to 150 horsepower, operating from standard a-c power.

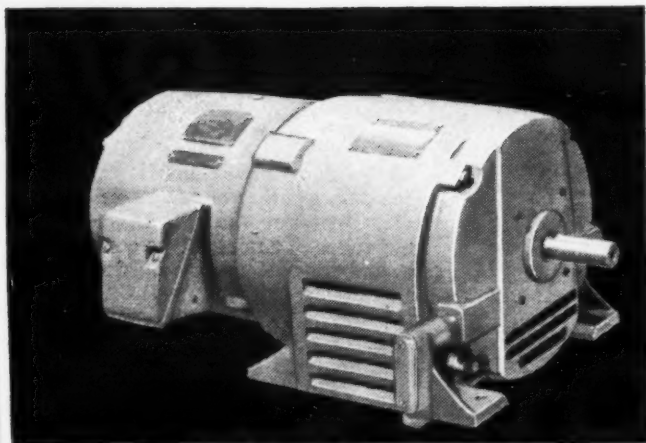
A General Electric ***KINATROL*** drive is not just another eddy-current coupling. For instance, in the water-cooled coupling, water control is packaged. You'll see much less external piping. Furthermore, the coupling is protected from flooding—and the air gaps are dry, preventing corrosion.

KINATROL couplings are compact, field proven and dependable. General Electric has had a good deal of experience in the engineering, manufacturing, and application of packaged adjustable-speed drives. And we know how important service is to a customer.

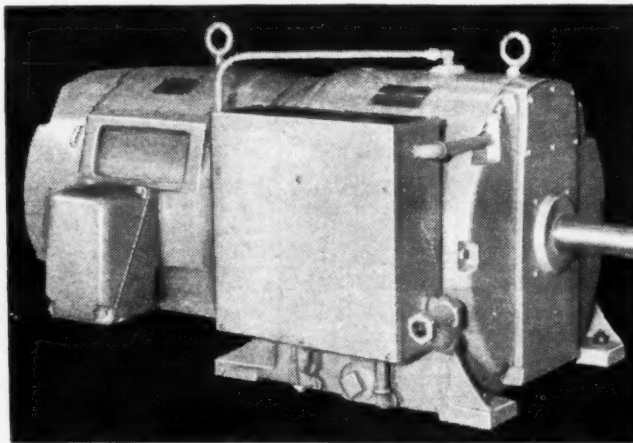
KINATROL —a good product, with the kind of service you can depend on. Please call your nearest General Electric Sales Office for further details.

*Trademark of General Electric Company

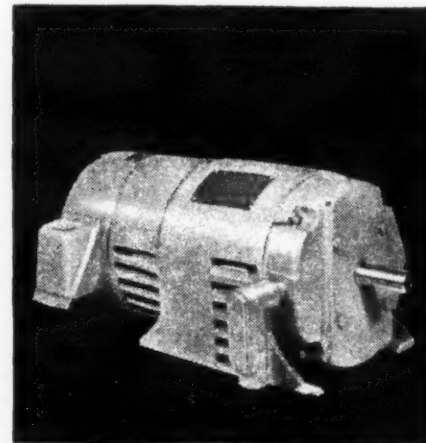
821-07



AIR COOLED, 7-1/2 to 100 HP



WATER COOLED, 25 to 150 HP



AIR COOLED, 1 to 5 HP

DIRECT CURRENT MOTOR AND GENERATOR DEPARTMENT

GENERAL  **ELECTRIC**

ERIE, PENNSYLVANIA

Pentagon Stepping Up Cost-Cutting Program

(Continued from page 1)
 tary supply management. This will be accomplished through acceleration of consolidated procurement of common-use goods and services and through other joint service contracting and management operations.

4. Streamline the military's elaborate decision-making machinery as it affects procurement. The purpose is to reduce what McNamara considers the "diffusion of responsibility," thus speed up decision-making time on what and how to buy.

5. Allow higher profit rates to contractors as rewards for exceptional performance and the assumption of unusual financial contract risks. Similarly, the intent is to levy higher penalties against firms which do not perform satisfactorily on a defense contract. The penalties would be in the form of sharply restricted profit allowances or even denial of new contract awards.

Cites Specifications

McNamara complained that up to now "too little attention" has been placed on the relation of costs to specifications in military products. He figures that cutting excessive performance and other specs by as much as 5% "can lead to cost savings of 20 to 30%." He cites such factors as speed specifications for an aircraft which may be in excess of the plane's mission requirements and hardness standards and machining tolerances which add to production costs but which do not significantly upgrade the item's value to the military.

For example, before demanding finer tolerances in a missile's guidance system, McNamara wants both the contractor and the military contracting agency to justify that the added cost of making the system more sophisticated really results in more accurate equipment. Just as significantly, he wants to assure that the need for making the particular missile that much more accurate justifies the increased cost.

In a move to emphasize the "cost-benefit" ratio of military equipment still in development or in early production, McNamara has set up a group to review specifications and standards.

Savings From Simplification

The Navy cites a case where an underwater ordnance device was bought under initial specifications at \$28 per unit. By asking the contractors to simplify the design and to substitute cheaper materials, the Navy is now buying what it calls "an acceptable item" at \$3.59. Production orders for the item run into the hundreds of thousands.

McNamara believes that by freezing designs at an earlier time and by making specifications and technical drawings available more quickly, the military can reduce its dependence on sole sources of supply and thus cut costs. He claims that unit prices can be trimmed as much as 30% by "moving away from sole sources."

One military agency recently cut the unit price of a newly developed vehicle by over \$40,000 by seeking competition on production contracts.

As recently as the July-De-

cember 1960 period, 60% of military procurement was awarded on a sole-source basis without competition. The major reasons: absence of competitive specifications and the need for urgent delivery schedules. During the current fiscal year, McNamara is aiming for savings of at least \$200-million by expanding competition for new production contracts.

McNamara concedes that in certain cases it is economically advantageous to have a sole production source. But he wants to

be sure that the single producer is selected only after all qualified competitors get a chance to bid on the work.

He points to his recent establishment of a defense supply agency as a major step in making the Pentagon's logistics management more economical and efficient. DSA will handle buying, storage, and distribution of eight common-use commodity areas (mostly commercial in nature), representing about 750,000 items with an inventory of almost \$4-billion.

Simplified Rate Structure Devised On Truck Movement of Air Freight

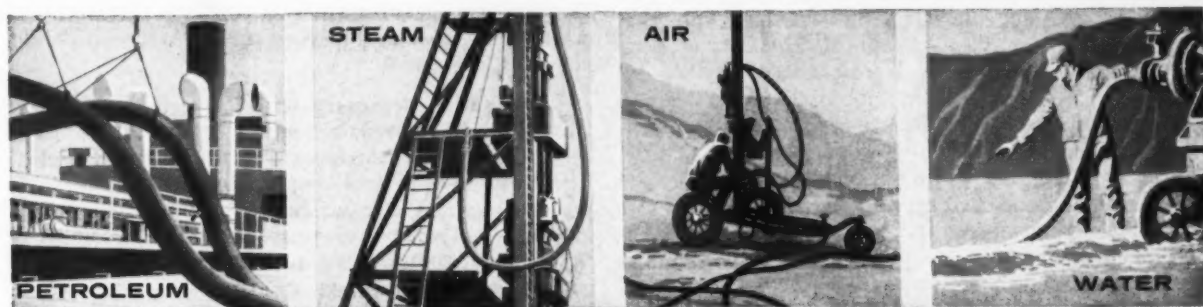
Washington—The Middle Atlantic Conference is preparing a simplified rate structure to cover trucking of air freight shipments to and from airports.

The rates would be based on weight and distance, disregarding classification, and would be comparable to the "constant charge" proposed by the conference for surface movement of small shipments.

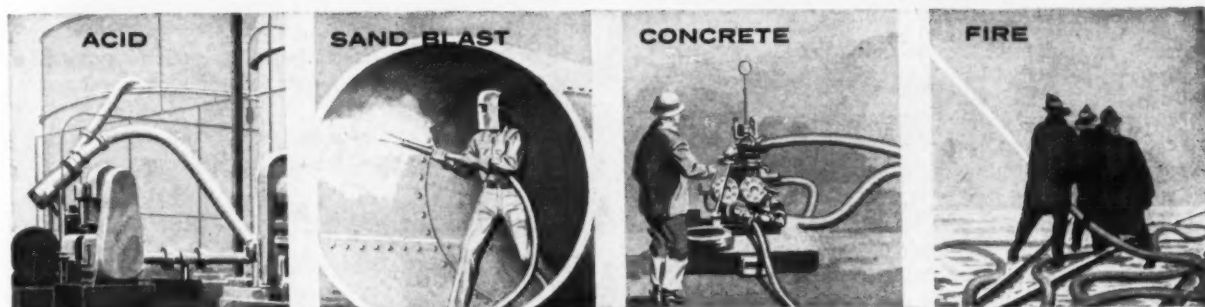
The truck charge would be added on to the air freight

charge. It would not be part of a joint air-motor rate.

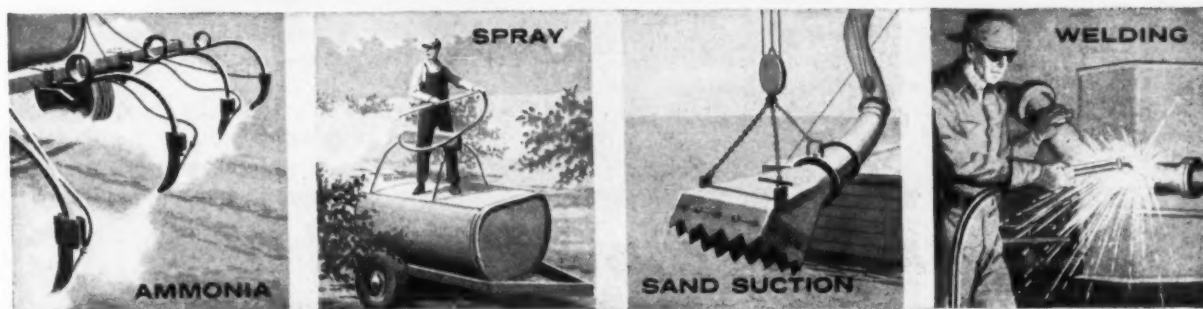
At present, it is exceedingly difficult for shippers to determine what charges will be for truck movement of air freight because there is such a multitude of tariffs by individual trucking firms applying to hundreds of airports and outlying points. There are comparatively few joint rates; so many cities and truck lines are involved that working them out is too complicated to be worthwhile.



BOSTON HOSE...



LONG LINE OF



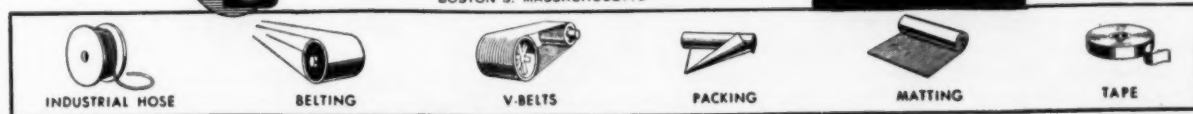
TOP PERFORMERS

The BOSTON line includes standard and custom-built hose from 3/16" to 42" I.D. Each hose is manufactured to exacting quality standards prescribed by our progressive Research & Development Department. They assure you a superior hose for your most rigid requirements. BOSTON means honest value, top performance—the best hose for your needs. Let us demonstrate how BOSTON serves you best!



AMERICAN BILTRITE RUBBER COMPANY
 BOSTON WOVEN HOSE & RUBBER DIVISION
 BOSTON 3, MASSACHUSETTS

BOSTON



Management Memos

Beating the Personality Tests

Personality tests are becoming increasingly important in business as a method of choosing the right man for a job or for a promotion. These are the searching inventories that delve into a man's character and interest—but with results that are often of only limited value and dependability, according to Darrell Huff, author and statistician.

The trouble with most of these character probes, Huff says, is that they are based on standards which allow the man with the greatest degree of conformity and even mediocrity to come out best. For this reason, he contends, it is possible to justify cheating at these exams, especially when a job is at stake.

However, says Huff, in an article in *Management Review*, there is a wrong way and a right way to go about it. Trying to put down answers that will put you in the best possible light is the wrong way to fool the examiners, who have set up safeguards to detect all such attempts at falsification.

The best way, he explains, is to assume the personality of a successful business man and then answer all the questions as he would even if some of the replies point you up as a hard-head. This system isn't sure fire, however, because most really successful executives today, he points out, would probably flunk the personality tests that their own company administers.

So you've got to be careful to choose a successful personality with all the right virtues. It could even be a character out of a book. According to Huff, here are the traits that he once got on a personality test he took:

He was friendly, tactful, sympathetic, able to express the feelings appropriate of the moment. He was persevering, conscientious, orderly in small matters, and inclined to insist that others be the same. Huff rounded out this profile by assuming the personality of a fictitious character of questionable ethics from a novel he had read before the test.

The Human Element

The big question today is not whether electronic brains will replace human thinking in management functions, but how to adapt the machine to modern business organization, according to Dr. Alan J. Rowe, industrial dynamics research manager, Hughes Aircraft Co.

Dr. Rowe's confidence that man's place on the management team will not be entirely usurped by the machine is based on his statistical analysis of the managerial function.

Speaking at a recent conference of the Instrument Society of America, he cited this breakdown: As much as 50% of a typical manager's time is spent in dealing with people (an activity that, fortunately, cannot be automated), while only 20% is spent in analysis of data, 25% in planning, and 5% in decision making.

The research manager comments, "The computer will play a vital role as an aid to management at the policy-making and control level, as well as providing for automated information processing at the operating level."

The top-level, judgmental areas won't be automated. Dr. Rowe's list of judgment functions serves as a good profile of the chief executive's job:

- Assuring consistent set of objectives for all divisions of an organization.
- Determining the financial support required and risks involved in achieving long-range goals.
- Asserting effective control via accurate and timely performance measures based on a continuous reappraisal of the relationship of operating decisions with corporate objectives.
- Evaluating new products, new businesses, acquisitions, etc., in relation to growth objectives, and economic analysis of business cycles.
- Providing research support for product development, management techniques, computer applications, operations research, etc.
- Determining basic strategies, such as pricing, in respect to industry trends, competition, legal and tax considerations, etc.
- Establishing an appropriate corporate image through public relations and employee benefits.

The Certification Trend

Among those interested in professional certification, in addition to the P.A., is the secretary. The helpmate of American business now has a title, an association, and even certification exams.

The title is "Certified Professional Secretary," and, to qualify for it, the applicant must pass all six parts of an examination administered by the Institute for Certifying Secretaries, 1103 Grand Ave., Kansas City, Mo., a department of the National Secretaries Assn.

There are now 2,251 CPS's, and only 255 of the 1,615 taking the most recent examination received the official title.

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PURCHASING WEEK is published weekly by McGraw-Hill Publishing Company, Inc. Founder: James H. McGraw (1860-1948).

SUBSCRIPTION PRICE: Available only by paid subscription. Publisher reserves the right to refuse nonqualified subscriptions. Subscriptions to Purchasing Week solicited only from purchasing executives in industry, business, and government. Position and company connection must be indicated on subscription orders forwarded to address shown in box below. U. S. Subscription rate for individuals in the field of the publication \$6 a year; single copies 50 cents. Foreign rates on request.

EXECUTIVE, EDITORIAL, CIRCULATION, AND ADVERTISING OFFICES: McGraw-Hill Building, 330 West 42nd Street, New York 36, N. Y. Telephone: LOngacre 4-3000. Teletype: TWX N. Y. 1-1636. Cable Address: MCGRAWHILL, N. Y.

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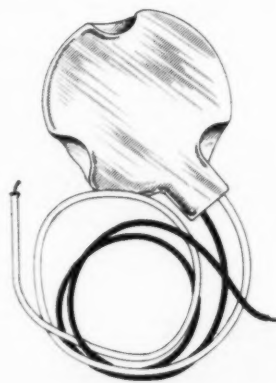
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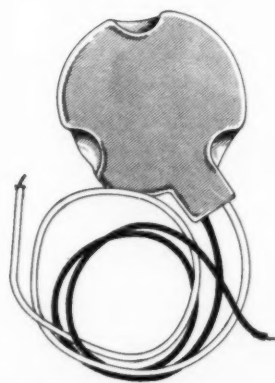
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SUBSCRIPTIONS: Send subscription correspondence and change of address to Fulfillment Manager, Purchasing Week, 330 West 42nd St., New York 36, N. Y. Change of address should be sent promptly, giving old as well as new address and including postal zone, number, if any. If possible enclose an address label from a recent issue of the publication. Please allow one month for change to become effective.

WHAT VALUE ANALYSIS CAN DO FOR YOU



BEFORE ANALYSIS: Heating element was coated with expensive layer of silver to protect surface and allow good heat transmission.



AFTER ANALYSIS: Coating was switched to less expensive nickel which still gives the necessary protection.

Source: Sperry Rand Corp., Great Neck, N. Y.

TECHNIQUE: Don't overspecify finishes.

SAVINGS: Part cost cut 55%

Purchasing Week Asks

What's Your Policy On Returnable Containers?



S. E. Goodman, senior buyer, B. F. Goodrich Sponge Products, Div. of B. F. Goodrich Co., Shelton, Conn.:

"We make every effort to avoid receiving materials in returnable containers. However, there are instances where it is more economical to receive materials in 'returnables,' and in isolated cases this is the only way the material can be secured. In these cases, we accumulate the empty 'returnables' at a central depot and return them on a regular schedule to the vendors, usually via their transportation. This regularly scheduled return coupled with a centralized shipping point and an 'in-and-out' record has been found to be the best method of assuring return."



M. Kisslinger, Reardon Co. (paints, wall size, etc.), St. Louis:

"We believe that our cost and quality requirements are best met by using returnable containers. We have found that the unit cost of materials purchased in returnable containers is less than on those where the container is purchased outright. In addition, returnable containers made especially for a given product generally aid in retaining original properties and color of the product. A simple control procedure is essential to keep the in-plant cost of using returnable containers to a minimum."



J. C. Traister, assistant to vice president in charge of purchasing, American Smelting & Refining Co., New York:

"Suppliers of the few items we purchase in returnable containers have been most cooperative in eliminating unnecessary costs and paper work. Most of the items are purchased on an annual blanket order basis with a constant stream of shipments to and from our plants. Consequently, most container deposits have been eliminated. Free demurrage time has been lengthened to two or three times the normal to coincide with usage and distance, particularly in the case of our export properties. Any demurrage charges incurred are billed quarterly or semiannually."



L. G. Konrad, purchasing agent, Walker Michigan Div., Walker Mfg. Co. (jacks, exhaust systems, etc.), Jackson, Mich.:

"This is not a problem with us. At the present time only one supplier of production material uses returnable containers. We are billed for them as material is received and can either keep them or return them for full credit. Our supplier of drawing compound also has a policy allowing us to return empty drums for credit. In this case, we accumulate a truckload of empty drums and return them freight collect."

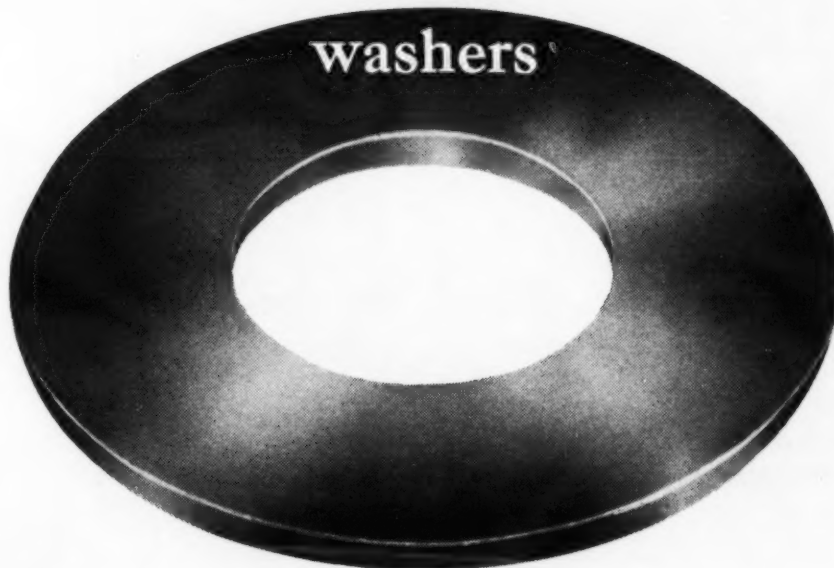


W. F. Kosik, purchasing agent, Nease Chemical Co., Inc., State College, Pa.:

"We prefer not to buy chemicals packed in returnable containers. Fortunately in the area where returnable containers are used, we are generally bulk purchasers. We purchase less than truckload drum and carboy quantities from a local chemical distributor who uses his own fleet of trucks. We can return these containers as quickly as they are emptied with a minimum of effort on our part via the distributor's trucks. In certain instances where we have to buy directly from the prime producer, we again try to return these containers as quickly as possible. A card system assures account control."



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COPPER WASHERS
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STRUCTURAL WASHERS
MALLEABLE ROUND
WASHERS
MALLEABLE BEVEL
WASHERS

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Purchasing Week's Foreign Perspective

London—Spot copper prices hovered around 28.3¢/lb. in the metal market here, only slightly above the level at which it becomes profitable to import copper into the U.S.

Market experts said the present U.S. producer-smelter price of 31¢/lb. should remain firm as long as the London price is above 28¢. The U.S. price can withstand a 3¢ differential because of the higher costs of transporting the foreign material and because of the protection received from the U.S. import tax of 1.7¢/lb.

But, if the London quote should drop to 28¢/lb. and remain there for any length of time, traders expect the resulting influx of foreign copper into the U.S. would force American producers to lower their prices.

Bonn—The German economic boom appears to be tapering off, with export growth dwindling at an especially high rate, according to various market research organizations.

The German Industry Institution reported export orders for July were 8% below July 1960, while total orders were down 5%.

A survey by the IFO Institute shows that only 3% of the nation's firms expect export increases during the second half of the year. Machine builders and automobile makers predict their exports will amount to "not much more," while the majority of firms in the precision tool and optical industries expect exports to decline.

Optimism for the second half prevailed only in the electrical industry, but even these companies were more cautious in their forecasts than last year.

• • •

Washington—Officials of Great Lakes ports and the St. Lawrence Seaway are kicking up a ruckus over proposals to increase

ship rates on the inland water area.

The Japan-Atlantic and Gulf Freight Conference has asked the Federal Maritime Commission to approve a 15% surcharge on shipments to Lake Ontario ports and a blanket 25% surcharge to other Great Lakes ports over base rates to ports on the coast. The conference is composed of 20 lines.

Port authorities on the Great Lakes claim the ocean lines want to raise rates in order to discourage traffic on the Lakes. Some of the conference members, it is said, view the Great Lakes trade as a competitive threat because of large investments they have made in dock and warehouse facilities at coastal ports.

• • •

Toronto — Canadian manufacturing plants are building up inventories of raw and finished materials for the first time in 19 months, according to the Canadian Assn. of Purchasing Agents.

The association also said prices are coming under pressure, with imported materials and products with imported content beginning to show the full effects of the recent depreciation in the Canadian dollar's exchange value.

A busy fourth quarter was predicted for the steel industry. Delivery times for many items already are running longer than six weeks, the purchasing group said.

• • •

Paris—American plastic producers have been invited to exhibit at the 1962 Europlastic Trade Fair to be held here May 19-29, the Bureau of International Business Operations said.

The fair will cover all aspects of the plastics industry, including chemical raw materials and machinery for making plastic products, in addition to finished products for industrial, agricultural, and domestic uses.

While primarily a plastics show, related rubber products also will be on display.

• • •

Tokyo—First meeting of the new U.S.-Japan Committee on Trade and Economic Affairs will be held Nov. 2-4 at Hakone, a mountain resort 60 miles west of here.

The group, created following an exchange of notes last June between U.S. Secy. of State Dean Rusk and his opposite number in Japan, Zentaro Kosaka, is aimed at promotion of trade and economic collaboration between the two nations. Five U.S. Cabinet members, and possibly Rusk himself, will attend the November meeting.

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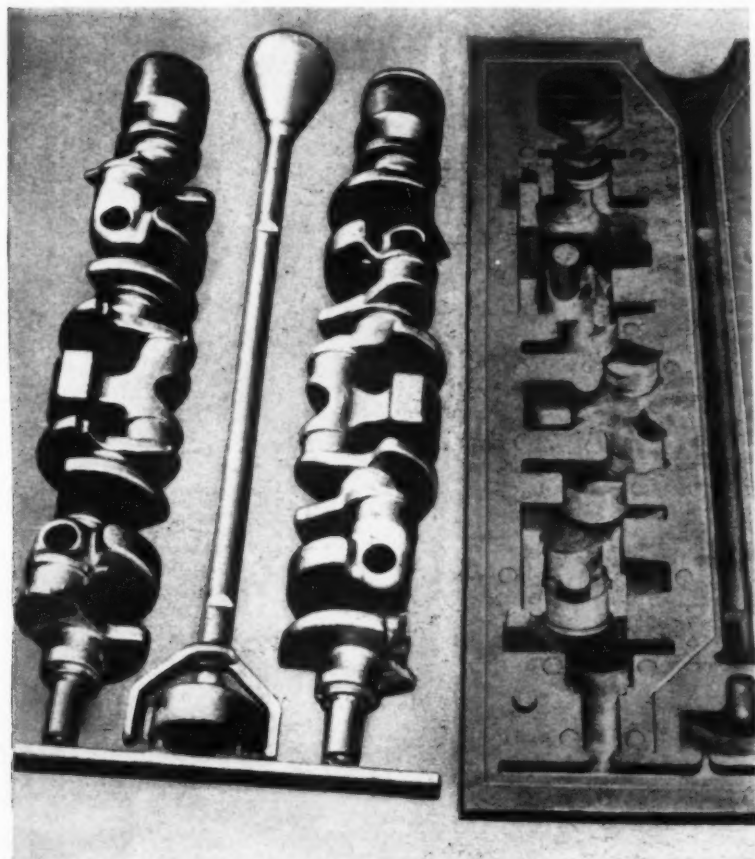
Washington — The U.S. and Sweden have signed an agreement lowering U.S. duties on Swedish paper boxes to compensate for a 1957 boost in U.S. duties on Swedish clothespins.

• • •

Bonn — Progil-Bayer-Ugine has put into operation two new plants which will lift its polyester and polyether production capacity from 500 tons/month to 1,000 tons/month by 1962. The firm is a joint subsidiary of Farbenfabriken Bayer, Progil S.A., and Societe D' Electro-Chimie, D' Electro-Metallurgie et des Acieries Electriques D' Ugine.

SILICONE NEWS from Dow Corning

For Fast Get-away



Silicones Speed Production of Crankshafts for Ford Falcons

"Fast get-away" is an appropriate description for the way foundry shell molds pop free from patterns coated with Dow Corning silicone parting agents. Quick, clean and easy release every time helps assure uninterrupted production, retention of close tolerances, less machining. Here's proof from the Ford Motor Company foundry.

In one production operation, shell molds for casting crankshafts are made on a high production, multi-station rotating machine. Failure of just one shell to separate from its pattern would quickly bring operations to a halt . . . result in waste, rejects and mounting labor and material costs. But not at Ford. Their foundry engineers prescribed the right preventive medicine years ago when they settled on an emulsion of silicone as a shell mold parting agent. All it takes for good results is a light spray coating of the dilute emulsion.



In another shell mold operation Ford dips multi-unit engine valve patterns in the dilute emulsion. Even with such deep draws as are encountered with small diameter valve stems, release is clean and easy . . . production stays on schedule.

If lack of "fast get-away" is hampering your production, why not put Dow Corning Silicones on the job? Send today for a free manual detailing "how to use silicone parting agents in shell molding."

Address Dept. 7522a

For complete technical information about any silicone product, contact the Dow Corning office nearest you.



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COMPACT FIRE TRUCK: New Volkswagen entry is aimed at in-plant use and hard-to-get-to locations. Truck is 168 in. long, 69 in. wide, carries 550 lb. of

chemical extinguisher in large tank. Two 82-ft. hoses are attached to large tank. A mobile reserve supply is mounted behind it, plus six hand extinguishers.

Transport Executives Outline Plans For Faster, Better Delivery Service

San Francisco—Shippers will get faster and better delivery service in the near future, spokesmen for half a dozen common carriers told a military traffic management seminar.

Some 300 representatives of military installations in eight western states attended the sessions held by the Western Traffic Region of the Military Traffic Management Agency. The representatives heard executives of common carrier companies cite

these areas as vital to expansion:

- Unification through voluntary mergers and acquisitions.

- Coordination and interchange of services to prevent unnecessary handling and duplication.

- Standardization of haulage units and elimination of one-purpose equipment. Containers should be all-purpose, carriers said, with dimensions of piggy-back equipment standardized.

- Automation should be extended beyond billing and accounting to such things as equipment, selection, pricing, and routing of shipments.

Here are some of the programs carriers are working on:

Ted Bartels, president of Republic Carloading Co., New York, said an all-purpose container will be available soon and predicted it will reduce return of empty freight cars by 50%. He said the Army is testing a 20 x 8 x 8 ft. standard container.

William B. Johnson, president of REA Express, said his company is experimenting with a liquid nitrogen system of refrigeration and is confident it will succeed. The company also is working on a system of automation which it expects will revolutionize billing and accounting in the small shipment field.

R. M. Richardson, vice president, Matson Steamship Co., San Francisco, said his company had started a program of simulation through use of a computer, which resulted in the line's new container program. The program also will be used for such projects as overhauling freight tariffs, pricing new services, and evaluating units in the fleet.

Studebaker-Packard Div. Unveils New Engine Line

Minneapolis—Onan Div. of Studebaker-Packard Corp. has announced a series of 6- through 30-hp. engines, water-cooled or air-cooled, with interchangeable parts and choice of fueling—all from the one basic set of tooling.

"Development of the 'J' line," said Roy Mullin, vice-president-marketing, "means that in the original equipment field alone manufacturers will be able to design their equipment so that customers can use either gas, gasoline, or diesel engines without any additional product changes." The line also permits short production runs and custom-tailored models to be turned out with mass-production economy.

The line consists of 12 basic engines. First units, including one-, two-, and four-cylinder models ranging from 3 kw. to 15 kw., will be available this fall. The remainder are scheduled for production by early spring.

SKF Forms New Unit

Philadelphia—SKF Industries, Inc., has formed an Automotive Products Div., which will market a complete line of ball bearings, tapered roller bearings, clutch throw-out bearings, cylindrical roller bearings, and seals.

Stuart H. Smith, vice president of sales, said the division's products will be sold under the trade-name "Nice."



PROBLEM: How to wrap a package so it will take rough handling.

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Profitable Reading for P.A.'s

New Books

Developing Competent Subordinates, by James M. Black. Published by American Management Assn., 1515 Broadway, New York 36, N. Y., 128 pages. Price \$4.50 (AMA members —\$3.00).

This valuable handbook explains how executives can give more time and thought to the business of getting the most out of workers who report to them. Among other things, it discusses how the responsible manager can

develop the basics of worker education, how to improve his own skills in communication, and how to organize his department to thoroughly exploit the technical and managerial potential of all his personnel.

To realize his aims, the executive should understand the use of such management development tools as committees, conferences, and job rotation, as well as methods of handling problem employees. All of these matters are dealt with in considerable detail in this book.

Measurement and Control of Office Costs, by Serge A. Birn, Richard M. Crossan, and Ralph W. Eastwood. Published by McGraw-Hill Book Co., 330 W. 42nd St., New York 36, N. Y., 318 pages. Price: \$7.50.

This book presents a complete catalog of elemental time periods for the performance of all manual activities and machine operating times for the more basic office equipment.

It explains the importance of measurement in the control of office costs; the benefits to be

gained; how to apply measurement to office activities, etc.

Also included is a discussion of the principles of scientific management and their application to office cost control.

From the Manufacturers

Polyethylene Sheeting

Recommended standard covers dimensional tolerances, intrinsic quality requirements and test methods for polyethylene sheeting construction and industrial applications. The dimensional tolerances include thickness, yield, width, and length. Intrinsic

quality requirements include composition, appearance, tensile properties, etc. Copies of standard TS-5534 are available from *Commodity Standards Div., Office of Technical Services, U. S. Dept. of Commerce, Washington 25, D. C.*

Gummed Tapes

Sample booklet includes swatches of company's line of reinforced tapes. Also illustrates different types of carton closures, including two strip method. *Mid-States Gummed Paper Div., Minnesota Mining & Mfg. Co., 6850 S. Harlem Ave., Bedford Park, Ill.*

Cutting Tools

Guide lists booklets, catalogs, reprints, etc. of cutting tool literature available from company. Form C-48 (4 pages). *Brown & Sharpe Mfg. Co., Providence 1, R. I.*

Seals

Listing more than 575 fluids and gases, publication points out the different types of seals to be used with these fluids at various temperature limits. Includes data on working pressures, flow, spillage, dimensions, weights, etc. Catalog 60A (62 pages). *Snap-Tite, Inc., Union City, Pa.*

Power Tools

Describes company's line of miniature power tools, as well as miniature handpieces for grinding, deburring, drilling, cutting, etc. Catalog also covers accessories, speed controls, and the Freedom buffing and grinding motor. Catalog No. 210A (6 pages). *Freedom Electric Co., Inc., Bethel, Conn.*

Transformers

Gives information on GE's new gas-filled sealed dry-type transformers, which feature higher impulse levels. Includes tables of dielectric tests, standard ratings, impedances, voltages, and more. Bulletin GEA-6790A (8 pages). *General Electric Co., Schenectady 5, N. Y.*

Retention/Cooling Devices

Describes over 10,000 electronic cooling/retention devices for retaining tubes and electronic components, clamps for miniature plug-in tubes and components, transistors, etc. Catalog I-W (8 pages). *Birtcher Corp., Industrial Div., 745 S. Monterey Pass Rd., Monterey Park, Calif.*

Where Can I Buy?

Some products are easy to locate, others difficult. Perhaps you can help one of our readers who knows exactly what he wants but doesn't know where to get it. And keep in mind that you can make use of this PURCHASING WEEK service at any time.

While you are answering our reader's request, would you also send us a carbon copy of your answer?

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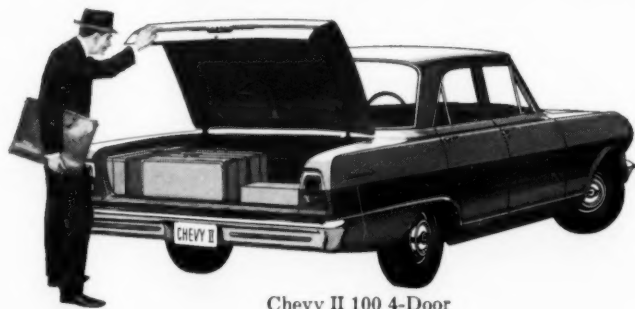
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Industry News in Brief

Howard Boosts Output

Racine, Wis.—Howard Industries, Inc., is putting a second shift into operation at the company's plant here in order to increase production of electric motors used for such items as office machines, electronic organs, and vending machines.

Redmond Adds Rep

Owosso, Mich. — Redmond Co., Inc., a manufacturer of fractional horsepower motors and blowers, has expanded its marketing organization to add national sales representatives to the existing force of factory sales engineers. Redmond is a subsidiary of Controls Co. of America, Schiller Park, Ill.

Motorola Opens Office

South Hyde Park, N. Y.—Motorola Semiconductor Products, Inc., Phoenix, Ariz., has opened a new district sales office here to provide improved service to industrial concerns in the upper New York state area.

Sharon Retains Architect

Sharon, Pa.—Sharon Steel Corp. has retained the services of Hunter, Heiges & Gross of Sharon, Pa., registered architects and engineers, to serve as architectural consultants to the company and its customers. In addition to providing practical advice on construction projects, the firm will seek to develop new uses for steel in building.

New Kaiser Distributor

Wabash, Ind.—Wabash Smelting, Inc., has been named as an ingot distributor for Kaiser Aluminum & Chemical Sales, Inc., Oakland, Calif. Wabash Smelting will distribute throughout Indiana, eastern Illinois, and western Ohio.

Cryogenics Names Rep

Stafford, Va. — Cryogenics, Inc., a manufacturer of components and systems for low-temperature application, named R. W. Thompson Associates as its sales representative in California, Nevada, and Arizona.

Sign Distribution Service

New York—Commercial Plastics and Supply Corp., large independent distributors of plastics, said it will make available a complete sign distribution service. The company is stocking letters and numbers ranging from 6 in. to 36 in. in both width and height.

Texas Kodak Lays Pipeline

Rochester, N. Y.—Texas Eastman Co., a division of Eastman Kodak, has started construction on a 275-mile pipeline extending from its plant near Longview, Tex., to the salt dome storage facilities of Phillips Petroleum Co., Clemens Dome, Tex. The pipeline will be used to transport propane to the Texas Eastman plant.

Precision Castings Moves

Detroit—Precision Castings Corp., an affiliate of Detroit Industrial Products Corp., has moved into larger quarters here. The new plant is equipped with

facilities for producing larger than average precision castings using the "Shaw Process."

Carbide Sales Agent Named

New York—Union Carbide Plastics Co. appointed Quentin Nelson & Co., Houston, Tex., as sales agent to service the protective and decorative paint industry in Texas.

New Mersick Subsidiary

North Haven, Conn.—Mersick Industries, Inc., acquired Wind-

sor Pippin Corp., Windsor, Vt., a producer of construction equipment. Windsor Pippin will be operated as a subsidiary.

To Sell European Market

Michigan City, Ind.—Thompson Ramo Wooldridge will begin selling numerical control systems for machine tools in Europe through an associate firm in France, Compagnie Europeenne d'Automatisme Electronique (CAE).



TRAVELING BILLBOARD: Colorful plastic tarps made by Gering Plastics Div. of Studebaker-Packard Corp., Kenilworth, N. J., serve double duty, protecting material in transit and promoting shipper's name en route.



ROUNDING UP MAVERICKS IN YOUR STEEL CORRAL runs up cost of possession

The cowboy on the overhead crane . . . the range rider on the fork-lift . . . both cost you money when they're working-over piles of steel in storage, rounding-up the right grade in the right size for the job.

Handling and rehandling steel inventory adds cost to your product . . . can even damage steel to the scrapping point.

Consider this cost-reducing answer . . .

Use the complete stocks and first-step processing services of your nearby steel service center just as if they were your very own. Convenience, availability and less handling are augmented by actual dollar-saving economies.

To help your production and cost accounting people figure the *true cost* of steel stocks, ask your steel service center salesman for the booklet, *What's Your Real Cost of Possession for Steel?* Or write to Steel Service Center Institute.

COST OF POSSESSION . . . to determine your own cost of possession for steel in inventory, consider all these factors:

Cost of capital: inventory, space, equipment

Cost of operation: space, material handling, cutting and burning, scrap and wastage

Other costs: obsolescence, insurance, taxes, accounting

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Professional Development Perspective



Learning by Role Playing

By Consultant Clyde T. Hardwick

Professor, University of Detroit

"Role playing"—the acting out of situations one is likely to encounter in real life—can be useful in the development of buying skill.

Properly used, and with an able coach, role playing parallels

in function the pre-game football warmup: it sharpens the fledgling negotiator's eye and unlimbers his reflexes to deal with hazards.

Psychologists have long recognized the difference between a rational understanding of principles and the ability to put them to practice in actual performance. Consequently, they favor "learning by doing" or situations that require skills not wholly acquirable through study.

This is the essence of role playing: learning by doing. The psychologists like to tag it "psycho-dramatic" training, because the player, to be successful, has to throw himself emotionally into the assignment. But we'll call it "practice-buying" to denote role-playing techniques for the training of buyers.

Practice-buying requires "doing" as well as listening or knowing. Its value lies in that it permits immediate correction of mistakes and continued coaching to develop buying skills.

First step in organizing a practice-buying class is to select a coach, a man who's obviously qualified by temperament and

experience to contribute to the knowledge of other, less experienced buyers. The group should be limited to between 15 and 20 persons, to allow each individual to participate. The success of practice-buying depends largely on the seriousness of each player; it's a game, but, as in a play, realism and credibility are the paramount virtues.

It's best to begin a practice-buying session by pitting an experienced, imaginative buyer—one who has a reputation as a live-wire negotiator—against an equally experienced man in the salesman's role. The coach should then call the plays. For example, one player can act out negotiations from the point of view of a castings buyer, while the man in the role of salesman tries to sell the advantages of his foundry as a supply source. During the demonstration, the audience should observe critically what is being said and what is left unsaid. The watchers should pay particular attention to the strengths and weaknesses of the buyer.

Play is called off when the negotiators run out of steam and begin to repeat themselves. Then, the coach invites another set of players to act out another buying situation. After several demonstrations, the nonplayers and coach make a comparative evaluation of the players' performances. Contribution to discussion by all members of the audience is desirable.

Role playing techniques, because of their flexibility, offer unlimited possibilities. Success hinges on the resourcefulness of the coach and the participants. The play may consist of a single buying situation or a series of complex contracting sessions.

It should be apparent that disinterest, or reluctance to throw oneself into the assigned role, will make development and improvement impossible through practice buying. On the other hand, when the players are keen to learn and acquire skills through practice, they can definitely progress. Here are a few general rules to guide the coach and students:

- To set the stage, describe the buying situations in general terms.

- Explain, briefly, the role-playing technique.

- Select individual players for the roles of buyer and seller.

- Discuss the audience's obligation to observe and comment critically. Point out that no punches should be pulled.

- Mention that the coach will be watching each man's behavior for both weak and strong points.

- Call for action.

- Bring down the curtain when the players run out of ideas.

Practice buying should only take place in a permissive atmosphere. The coach should be friendly with his players, giving encouragement, suggesting alternative tactics, and demonstrating corrective steps. Arguments can be avoided—if the coach explains clearly, before play begins, that his criticism will be given openly, but in a helpful vein.

Insecurity and embarrassment may crop up among the players, but these natural shortcomings, like stage fright, can be eliminated by clever coaching. The coach must handle any individual or group jealousies that break

(Continued on page 17)

we goofed!



Yes, we confess, occasionally we do. But, you can be sure, it doesn't happen often. Proof? During the past 25 years, less than *one* out of every 1,000 Ace Pilot Staplers manufactured has needed repairs. Not quite goof-proof yet, but give us time. You can see and try the amazing Ace Pilot at your Ace dealer. Do it today.



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Twin Bills Double P.A. Workshop Participation

Pittsburgh — Professional development chairmen could take a leaf out of the Pittsburgh Purchasing Agents Assn.'s book on organizing successful meetings.

The group used a new twist in mapping out the NAPA District 6 conference program two weeks ago. Subject matter was limited to broad, general-interest topics and purchasing agents were divided into two groups. Each group was assigned to different concurrent workshop sessions. After a break, the same two workshops were repeated.

This double-bill pattern with repeat performances was followed throughout the two-day meeting to ensure maximum audience participation. However, instead of having the two groups move about, speakers and props were shifted while purchasing men reported back to the same room.

The behind-the-scenes program

fusion results if the audience doesn't have to move around for different workshop sessions and keep checking on room designations. It is a lot easier to have the participants report back to the same location and have the speakers change audiences.

• **Active audience participation** — A better response usually can be obtained from a smaller group. To spur participation it is a good idea to have someone in the audience throw questions or com-

ments at speakers to spark discussion. This is also insurance against a dull session or getting off the subject.

• **Avoid formal talks** — Speakers should be advised to steer away from formally prepared speeches and to set the keynote for discussion in their comments.

At the conference six different workshops were each presented twice. Purchasing men with odd-numbered badges were asked to report to one ballroom and those

with even-numbered badges to another.

To start the program off, two workshops were given simultaneously in each ballroom. Following a coffee break, the audiences returned to their places, but the speakers switched rooms and repeated their presentations for the other group. The same procedure was followed with four other workshops.

Kennedy advised against making conference programs "a miniature NAPA convention." It is possible to have many different sessions running simultaneously at a large convention; this pulls together many people with diversified interests, he said. But,

he pointed out, when broad topics of general interest are handled, you merely create confusion by spreading yourself too thin.

Panelist Hermann K. Intemann, who took part in the purchasing organization workshop headed by Kennedy, is all in favor of these approaches to spurring audience participation.

Intemann, director of purchases, Union Carbide Corp., New York, told P/W, "We wanted contrasting views of audience members on such matters as how to align your buyers and assistant buyers, how to set up lines of staff and line authority, and so on. We wanted divergent points of view, and we got them."

Pro-D Pointer

When a P.A. sits down to dinner at a monthly meeting, of the Louisville Purchasing Agents Assn., he may find a questionnaire asking for his thinking on topics ranging from purchasing seminars to committee assignment preferences. Depending on the subject, a table discussion leader may be appointed to thrash out pros and cons with his fellow P.A.'s before the questionnaires are collected. In most cases no signatures are asked for.

Payoff: Officers are immediately aware of members' views, and the return is usually higher than mailed-out questionnaires.

planning was directed by Joseph G. Smith, vice president, purchases and raw materials, Pittsburgh Steel Co., and Andrew M. Kennedy, Jr., vice president, purchases and traffic, Westinghouse Electric Corp., conference general chairman and program chairman.

The two chairmen told PURCHASING WEEK that these points served as their guideposts in developing the conference program:

• **Manageability** — Less con-

Pro-D Perspective

(Continued from page 16)
into the open firmly and judiciously.

Finally, bear this in mind: Practice-buying is not a one-shot deal. Repetitive practice sessions are necessarily a part of the method, if progress is to be made. Of course, role playing has its limitations as a training method. It should be a supplement to, not a substitute for, sound textbook, lecture, case-method, and problem-solving approaches.

After fifteen years' experience in the uses of role-playing in college classes and company training programs, I've come to believe it's an indispensable method for training buyers to be more effective negotiators.

We'll show you proof of savings!

V-string assemblies slash R/W width and tower dimensions, improve performance!



Conductor side-sway is an important factor in the design of high-voltage transmission lines.

On a conventional 230-kv line with free-swinging suspension strings, conductor sway at the structure necessitates an additional 35 feet of width in the right of way, an additional 10 feet of crossarm width, and an additional 10 feet of structure height. These requirements are correspondingly higher at higher voltages.

If conductors are restrained by V-strings, significant savings can be achieved in right of way,

structures, and maintenance -- and electrical performance of the line can also be improved.

If you'd like more detailed information, send for O-B publication number 1503-H, "High Voltage Line Economies With V-string Insulators."

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10094-H

Follow-Up: Letters & Comment

Correct Answer

Washington, D.C.

In the Aug. 7 issue you presented two problems on linear programming ("School for Strategists," p. 8).

In Problem I, the solution totaled \$99. In testing this answer (as illustrated in the sample problem) I added horizontally the four groups and got \$105, \$100, \$111, and \$103; all of these are higher than the solution, which is as it should be.

In Problem II, however, the solution totals 106 days needed to do all three jobs, but adding the columns horizontally shows 102 days, 112 days, and 107 days. One of these is less than the solution total.

If the solution was to be arrived at by using all three groups, then this would be the best answer. However, if the idea is to really arrive at the minimum time needed, then the total of 102 days, which involves only skilled workers, would be the least expensive.

Should Acme consider that it was more important to use all three groups on the three jobs than to save the cost of four days labor, which should add up to a fair amount of money?

Mary Wibel
Purchasing Agent
National Education Assn.

● Acme Job Shop is interested in using its labor and other resources "so as to complete the projects as soon as possible."

Finding work for all three groups might be one goal of management if management had already contracted for their employment. But you would still have to know whether alternative projects were available for their employment.

You also suggest that it might be important to reduce costs by reducing number of days worked in toto by the three crews. However, you don't know how many are employed on each crew, or their daily pay rate.

The solution as given will result in the three projects being completed in the shortest possible time. It would be most useful where each project is given equal priority.

Wants Address

Manitowoc, Wis.

We would like additional information on "Ford Door Sandwiches Use Candy Kiss Mastic" (PW, Sept. 11, '61, p. 7). Would you advise us of the address of this Ford Motor Co. division.

Lester J. Zich
Purchasing Agent
Manitowoc Equipment Works
Div. of Manitowoc Co., Inc.

● It is: Stamping Plant, Ford Motor Co., 3660 Lakeshore Drive, Buffalo, N. Y.

U. S. Testing Starts Branch

Chicago—United States Testing Co., Inc., Hoboken, N.J., will open its new branch laboratory here Oct. 2. The branch will serve as a sales office and psychometrics testing station.

This Changing Purchasing Profession

Howard Smith, office services manager, has been promoted to director of purchasing, responsible for executive office purchases, **Carborundum Co.**, Niagara Falls, N. Y.

Lynn H. Ransom has succeeded the late **W. T. Adams** as manager of raw materials, **Republic Steel Corp.**, Cleveland. A veteran of 25 years in various aspects of purchasing with the company, Ransom has been assistant manager of purchases for the past seven years.



Lynn H. Ransom D. Dieffenderfer

D. Dieffenderfer, formerly national quality control laboratory manager, was named purchasing agent for paper and other major raw materials, **Dixie Cup Div.**,

American Can Co., New York City.

James M. Williamson has been made director of purchases, and **Paul E. Jones** purchasing agent, **Duriron Co.**, Dayton, Ohio. Jones was formerly assistant purchasing agent for the company.

Walter H. Rahn has been elevated to senior buyer in the Equipment and Supplies Div. of the Purchasing Dept., **Abbott Laboratories**, North Chicago, Ill.

FULL-SIZE DODGE DART



COMPACT DODGE LANCER



In this capacity he will serve as chairman of the Purchasing Staff Committee on Equipment and Supplies.

Burke M. McConnell was appointed vice president in charge of man-made fibers purchasing, Burlington Industries, Inc., New York City. He had been merchandising executive in Burlington's greige sales division.

Obituary

John H. Lauderdale, 83, retired general purchasing agent, Missouri Pacific Railroad, St. Louis, Mo.

Professional Development Calendar

San Francisco: Materials Management Institute—Inventory Control, Hotel Sir Francis Drake, Oct. 17. Also given in Los Angeles, Hotel Ambassador, Oct. 19.

Boston: Materials Management Institute—Measuring and Improving Purchasing Performance, Hotel Kenmore, Oct. 30. Also given: Philadelphia, Hotel Sylvania, Oct. 31; New York, Hotel Belmont-Plaza, Nov. 1; Cleveland, Hotel Pick-Carter, Nov. 2; Chicago, Hotel Sheraton-Blackstone, Nov. 3.

New York: Materials Management Institute—Reducing Warehousing

Costs, Hotel Belmont-Plaza, Oct. 18. Also given: Philadelphia, Hotel Sylvania, Oct. 19; Boston, Hotel Kenmore, Oct. 20; Cleveland, Hotel Pick-Carter, Nov. 1; Chicago, Hotel Sheraton-Blackstone; St. Louis, Hotel Sheraton-Jefferson.

Portland, Ore.: Purchasing Agents Assn. of Oregon—Skills in Purchasing, four evening classes, PGE Co. Service Center, starts Oct. 3.

San Jose, Calif.: California State, County, and Municipal Purchasing Agents' Assn. & San Jose State College—Seminar, Oct. 7.

New Committee Spearheading Drive For International Purchasing Group

New York — Backers of a worldwide purchasing federation are going all out in their drive to get one started. The campaign will be spearheaded by a newly formed NAPA International Federation Committee, headed by W. B. Wight, manager of purchases at Burroughs Corp.'s Electrodata Div. in Pasadena, Calif.

Former NAPA President Paisley Boney, strong supporter of the federation idea and a mem-

ber of the committee, talked to Commerce Dept. officials on their attitude toward the plan. He told PURCHASING WEEK, "I found the department even more in favor of the idea than when I talked to Secretary Hodges about it last March before my trip to Europe."

"There is a definite feeling in the Commerce Dept. that a federation would be beneficial to commerce between the U.S. and other countries," he said.

Boney also met with State Dept. officials to set the machinery in motion for obtaining financial aid for the newly formed National Assn. of Purchasing Executives of India.

In addition to Wight and Boney, the NAPA International Federation Committee includes: Harold F. Jones, manager of Basic Materials Div., du Pont Co.; D. V. Smith, General Electric purchasing education and training consultant; and George W. Baker, deputy director of Purchase and Administrative Services, Port of New York Authority.

So far, NAPA itself has not given formal approval or endorsement to the idea of an international federation, which is favored by purchasing organizations in most other countries.

Biggest step toward a worldwide purchasing federation will probably come in May, when the European Federation meets in Dusseldorf, Germany. The group, which meets every two years, has invited purchasing groups in several non-European countries, including the NAPA, to send a representative.

P. A. Apprises Bankers Of Purchasing's Impact On National Economy

Peoria, Ill. — A purchasing agent gave a group of bankers a firsthand insight into the purchasing profession last week, as well as an insight into the sort of assistance a purchasing agent can give a banker.

R. S. Burnett, purchasing agent for W. E. Caldwell Co., Louisville, Ky., stressed the P.A.'s impact on the economy in his banquet address to the Installment Lending Div. of the Illinois Bankers Assn.

"When you consider that the members of NAPA buy goods and services worth at least half the gross national product—say \$265-billion—every year, you get some idea of the terrific impact of the P.A. on the economic health and strength of the country," Burnett said.

He outlined these ways in which the P.A. directly helps the banker:

- **Accurate forecasting of business trends.** "The NAPA's Monthly Business Survey is probably the most accurate of any published in the country," he said.

- **Honest reporting of performance.** "Through reporting our accomplishments honestly to top management, to other professional groups, and to the public at large," he said, "we do a service to you bankers."

INTRODUCING FOR 1962

THE NEW LEAN BREED OF

DODGE

When you specify a 1962 Dodge, you specify an honest, capable car. A car that can outrun, out-economize, and outlast most any car around.

The black automobile at left is the 1962 Dodge Dart—a full-size, low price car that accelerates seven percent faster than last year's comparable model, and does it on five percent less gas. That's action and economy in one and the same car. Dart is, in fact, the first of the Action-Economy cars. The reason? Dead weight has been reduced to a minimum.

Example: this year's automatic transmission (for V8s) weighs 60 pounds less than last year's. The case is made of aluminum. It's stronger, less bulky, allows a sizeable reduction in the front floor tunnel. You get more footroom.

There's no nonsense on this car. Gone is useless sheet metal, excess overhang and chrome. What's left is pure muscle—a hard, lean, working machine with efficiency throughout. The brakes, for example, are self-adjusting. Just shift into reverse, back up a few feet and step on the brake. Easy as that.

The interior is a model of efficiency. Seats are chair-high. In the Dart 440,

there's a fold-down center armrest up front as standard equipment. It helps to shorten long trips. When down, it gives the comfort and security of bucket seats. Instruments are easy to read, easy to use.

There are four engines to choose from: a standard, free-breathing 225 cubic inch 6 that uses gas by the drops, not the buckets; a standard 318 cubic inch V8 that runs on regular gas. And two high-performance engines—318 cubic inch V8 with power-pack and a whopping 361 cubic inch V8 with 4-bbl carburetor, dual exhausts and a special camshaft.

Considering compacts? Then consider Dodge Lancer—the white car shown at left. Lancer gives you all the virtues of compact car savings. But Lancer hustles and handles like a big car. Holds six in comfort and holds up under the hardest use.

Every Dodge—full-size Dart or compact Lancer—has a rustproofed body. A level Torsion-Aire ride (none better in the business!). A new, quiet high-speed starter that puts less drag on the battery. Both go 32,000 miles between grease jobs.

The pay-off is this: Dodge dependability cuts down-time and maintenance costs, boosts resale value.

So here they are—Dodge '62. A new lean breed that bids fair to become the year's most wanted fleet cars. For further information, we invite you to see your dependable Dodge Dealer.

New Plants, Expansions

New Microtron Plant

Charlotte, N.C.—Microtron Corp. will construct a \$400,000 plant at Arrowood Industrial Park, N.C., to house Microtron facilities already located in Charlotte. The company manufactures nonwoven synthetic fiber products and filters for heating and air conditioning.

Humble Processing Unit

Oklahoma City—Humble Oil & Refining Co. will start construction on a \$7.5-million natural gas processing facility to serve the Dover-Hennessey gas area in north-central Oklahoma. Humble is a subsidiary of Standard Oil Co. (N. J.).

Penn-Olin Plant Opens

Philadelphia—Penn-Olin Chemical Co. said its \$6.5-million sodium chlorate plant at Calvert City, Ky., has started production. Penn-Olin is a joint subsidiary of Olin Mathieson Chemical Corp. and Pennsalt Chemicals Corp. The plant will produce sodium chlorate, a chemical used in making rocket and missile propellants and in bleaching pulp and paper.

Optical Research Unit

Southbridge, Mass.—American Optical Co. formed a subsidiary, Laser, Inc., to do fundamental research on amplification of electromagnetic waves such as light and radio waves. The new company will explore the possibility of using light beams to transmit information such as is now transmitted by wire or radio.

Rexall Plans New Facility

Odessa, Tex.—Rexall Chemical Co. began construction of a \$71-million plastics plant here to produce bulk polyethylene plastic used in the manufacture of pharmaceutical containers. First unit of the plant will go into production in November, with final completion scheduled for 1963.

Testing Company Expands

Wayne, N.J.—Associated Testing Laboratories, Inc., manufacturer of environmental test equipment, will construct a 32,000 sq. ft. addition to its present 30,000 sq. ft. plant here. The enlarged facility will provide increased space for its testing and manufacturing divisions.

Electronics Joins Machinery

Orange, N.J.—United Components, Inc., manufacturer of hermetic seals, silicon, diodes and rectifiers, has acquired Automation Design and Machinery Co., Inc., New York. Automation design, which makes automatic manufacturing, assembling and testing equipment for the electronics and plastics industries, will become a division of United Components.

Cosden Forms Subsidiary

Big Spring, Tex.—Cosden Petroleum Corp., a subsidiary of W. R. Grace & Co., has formed a petrochemical subsidiary, Cosden Petrochemical Corp. The new firm will be headquartered in New York City.

Mid-West Paper Expands

Detroit—Mid-West Paper Products Co. moved into a new and larger office and warehouse here. New building includes special storage areas for cellophane tapes and other items requiring controlled temperature and humidity.

Alloys Firm Builds

Yonkers, N.Y.—American Brazing Alloys is completing a 12,000 sq. ft. plant in Pelham,

N. Y., to be used for flux coating and wire drawing, spooling, straightening, and cutting.

Cole Acquires Sterling

Cleveland—Cole National Corp. here purchased Sterling Industries, Inc., Cleveland manufacturer and packager of aluminum, steel, and plastic products. Sterling, which will operate under its own name as a semi-autonomous subsidiary of Cole National, is scheduled to move into a new plant in Bedford, Ohio.

Kaiser Refractories Builds

Oakland, Calif.—Kaiser Refractories, a division of Kaiser Aluminum & Chemical Corp., will construct new facilities at its Moss Landing, Calif., seawater periclase plant for the development of advanced refractories.

Phototronics Leases Plant

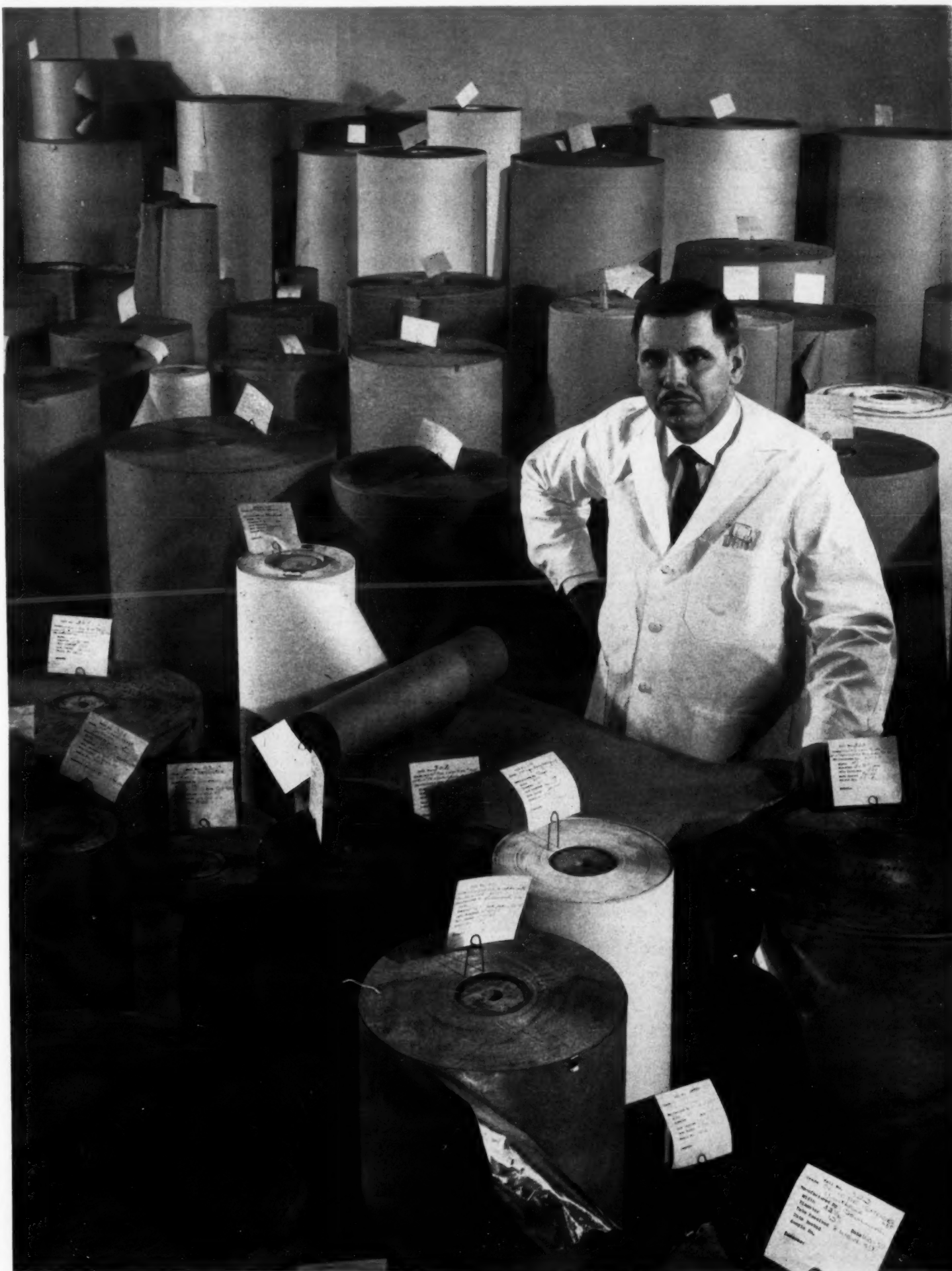
Flushing, N.Y.—Phototronics Corp. has expanded its plant facilities 150% by leasing a new building adjacent to its main plant. The company said the expansion was necessary because of a \$400,000 backlog of orders for electro-optical equipment.

M-H Constructs Addition

Duarte, Calif.—Minneapolis-Honeywell is constructing a 22,000 sq. ft. addition to one of its two Ordnance Div. plants here. The plant is involved in missile and space programs, research, development, and production of antisubmarine systems as well as intelligence data handling systems.

Avisco Opens New Office

Cincinnati, Ohio—American Viscose Corp.'s Film Div. opened a new district sales office here. The office will serve the states of Ohio, Indiana, Kentucky, and West Virginia.



Purchasing Week's Professional Perspective



CONSULTANT ROBERT C. KELLEY

Former Director of Purchases, Dresser Industries

Discusses This P/W Headline:

'Gulf Coast Suppliers Rebounding Quickly From Hurricane Carla'

(P/W 9/18/61)

The recent Hurricane Carla focuses attention on the unsung role played by the purchasing department in restoring facilities destroyed by such catastrophes.

Every veteran purchasing man has encountered such situations

during his career. Two stand out in my 40-year span. They are the New England hurricane of Sept. 21, 1938, and the Basic Magnesium fire of March 6, 1942. Lessons learned from those calamities, reinforced by the latest violence of nature and the threat of an atomic attack, all serve to point out essential planning procedures to prepare for any of these eventualities. Fire, floods, and wind are the havoc makers which require emergency purchasing techniques to be employed for fast replacement of facilities, services, and inventories.

Here are some of the safeguards commonly employed for use in such situations.

• **Duplicate records:** Copies of open purchase orders, names and addresses of key sources of supply, including night telephone numbers of personnel, should be located apart from the main office or plant. In addition, the purchasing director should have a duplicate address and telephone directory at his home, kept up to date for such use. Possible temporary office locations should be staked out.

• **Public agencies:** Local and state police, fire departments, Civil Defense headquarters, electric power companies, fuel suppliers, and insurance companies should be made up in a separate list and be in the hands of all key executives as well as purchasing.

• **Location of inventories:** A list should be prepared of approximate quantities of key materials carried by vendors at various locations. These should include not only production materials, but MRO and capital items most frequently required in greater than normal quantities—electrical supplies (motors, cable, conduit, switches, etc.), hardware (shovels, nails, fasteners, etc.), welding supplies (torches, compressed gas, helmets), spare parts, protective clothing (asbestos suits, rainwear, rubber boots, gloves), and first aid supplies.

• **Transportation:** Alternate routings for bringing in materials should be plotted. Special rolling stock such as bulldozers, trucks, and tractors available for rental also may be necessary.

• **Communications:** Your telephone, teletype, and telegraph systems may be knocked out temporarily, and you may have to resort to short-wave radio. License requirements preclude having stand-by equipment of this type unless you use it regularly in your business and have a wave length already assigned. But don't forget the "ham" operators in your area. Have a list of them available for possible service.

• **Coordination:** Purchasing department efforts must be coordinated with the rest of the organization, such as production, stores, and plant maintenance departments. Management probably will waive such requirements as approval of requisitions.

• **Service agencies:** Keep list of repair and cleaning crews (janitor services) in the area with portable pumps for water removal, steam cleaning equipment for mud removal, and electrical contractors for extra help.

With the information above, the P. A. is ready to organize his emergency purchasing crew to go into action on a 24-hour basis (using shifts) until facilities are restored and production is back to normal.

In the case of many disasters, such as hurricanes, advance notice of impending trouble is given. Much delay and expense can be avoided by removing all electric motors and storing them in safe dry places. Fires under blast furnaces, open hearths, and steam boilers can be banked and sand bag dikes used for protection against water. Auxiliary portable pumps can be strategically located to lessen the damage.

Not all companies, even the largest, are fully covered by insurance. Some have a policy of self-insurance, which means they pay all losses, on the basis that the infrequency of such occurrences saves them money.

Generally, two types of insurance are carried by those who have coverage. The most common one is a fire, windstorm, and extended coverage on buildings, machinery, fixtures, and inventory with the risk usually spread among several underwriters as co-insurers.

To cover losses due to rising
(Continued on page 23)

He knows all the right combinations

Using coatings and laminations, Union-Camp's Bob Harris has given corrugated boxes a host of amazing new properties.

OUR photograph shows Bob Harris standing in a forest of containerboard stock, paper and laminating materials. Here, he is comfortably at home.

He should be. Bob is a chemist, and a Project Supervisor at Union-Camp's Product Development Laboratory. Coatings and laminations are his specialty. Guesswork plays no part in his research.

"Today, thanks to coatings and laminations, there are few limitations on what you can package in corrugated," says Bob. "Using them singly or in combination, we can give corrugated boxes any number of protective properties. Water repellency, for example. Or snag and scuff resistance. Or resistance to acids and grease.

"We can coat the inside of a box so that it won't scratch the finish of an expensive hi-fi set. We can create moisture barriers for packaging soaps and other types of products.

"Everything we do is aimed at making the package more efficient by providing increased protection and reducing costly damage."

Recently, Bob and his group perfected a special release coating which is applied directly to the box. It prevents materials such as rubber or asphalt from sticking to the interior surface of corrugated boxes.

Bob Harris has also worked some minor miracles in improving the printing surface of Union-Camp containerboard. Using a special clay coating and resinous binder, an extremely smooth surface is provided that takes printing beautifully. The clean, sharp impressions that can now be achieved enhance the display value of the box and the sales appeal of its contents.

What lies ahead for corrugated combinations?

Bob and the rest of Union-Camp's development team are hard at work investigating new coatings that will result in even greater protection and economy for Union-Camp customers. This work is being carried on in a laboratory that can duplicate any shipping hazard a box is likely to meet in actual use. Its facilities include special environmental rooms that can simulate the heat, cold, or moisture conditions found anywhere on earth.

Find out what improvements Bob can make in your box. While you're about it, investigate Union-Camp's complete Packaging Evaluation Program available at no additional cost.

This service includes box design and development, specifications control, graphic design and merchandising counsel, box testing and in-plant surveys of your materials handling operation. An improvement in any one of these areas might produce greater efficiency and economy in your corrugated packaging operation.

A note on your letterhead will bring a prompt response. Why not write us today?

UNION-CAMP® CORRUGATED BOXES

Union Bag-Camp Paper Corporation - 233 Broadway N.Y. 7, N.Y.

Plants:

*Dedham, Mass.; Allied Container Corp.,
Route 128, Allied Drive
Trenton, New Jersey; 1400 E. State St.
†Washington, Penna.; P. O. Box 285
†Cleveland, Ohio; 10200 Miles Ave.
†Sharonville, Ohio; P. O. Box 86
Chicago, Ill.; 4545 West Palmer
†Benton Harbor, Mich.;
11th St. & Britain Ave.

†Monroe, Mich.; 1109 East Elm Ave.
†Eaton Rapids, Mich.; P. O. Box 8
*Baltimore, Md.; Eastern Box Co.;
Wagner's Point
Jamestown, N. C.;
3704 Point Pleasant Rd.
Spartanburg, S. C.; P. O. Box 1965
Savannah, Georgia; P. O. Box 570
Lakeland, Florida; P. O. Box 454

*Subsidiary Companies †River Raisin Division

Workshops, Shop Talk Period Slated For P.A.'s at District 4 Conference

Detroit—A two-hour period has been set aside for shop talk at the NAPA Dist. 4 conference. P.A.'s will be asked to submit a list of topics they would like to discuss at this session when they register for the conference.

The two-day meeting, Oct. 12-13, also will feature six workshops. The first deals with whether the user or supplier should stock. D. M. Sullivan, purchasing agent, Dow Chemical Co., will report on pros and cons that helped his firm decide supplier should stock.

Patrick Forbes, Jr., Gunite Foundries Corp., and David Anton, Cleveland Electric Illuminating Co., will thrash out pros and cons of leasing vs. buying.

Small value purchases and how P.A.'s should look at to-

day's purchases will also be reviewed.

At the other two workshops, Milton Elert, Michigan Consolidated Gas Co., will speak on "buymanship" and G. W. Howard Ahl, executive secretary, NAPA, will cover purchasing basics.

At the Thursday night banquet, the Homer Hauger Award will be presented to a P.A. for outstanding service to the purchasing profession.



SABINE-NECHES ASSN.: First fall meeting featured award of outstanding service plaque to P. B. Beard (l) by J. P. French (r), past pres. Beard resigned as



member because of promotion to sales mgr. at Sabine Propeller. Also on hand were association's Oil, Gas & Petrochemical Buyers group.

Cost-Cutting Essential To Economic Survival, Purchasing Agents Told

Greensboro, N. C.—"Procurement people have got to hammer away at reducing costs as a necessary means of survival in rugged competitive markets," members of the Carolinas-Virginia Purchasing Agents Assn. were told at their quarterly meeting at Sedgefield.

L. J. Hackl, general traffic manager, Ladish Co., Cudahy, Wis., also pointed out that "too many of us are inclined to overlook the obvious in cutting costs and waste of transportation."

Hackl, who spoke on "Getting the Most for Your Transportation Dollars," described transportation as just as much a part of the cost picture as catalog prices. He advised P.A.'s to allow plenty of lead time in buying.

W. J. Pierce, Detroit Edison Co., Detroit, discussed "Profit Is Not a Naughty Word," and Walter Willets, Conover-Mast, New York, covered "Purchasing Agents Are Always Learning." James Low of New York City, representing the National Assn. of Manufacturers, spoke on "Are You Leaning or Leading?"

New Orleans Group Briefed on Economics

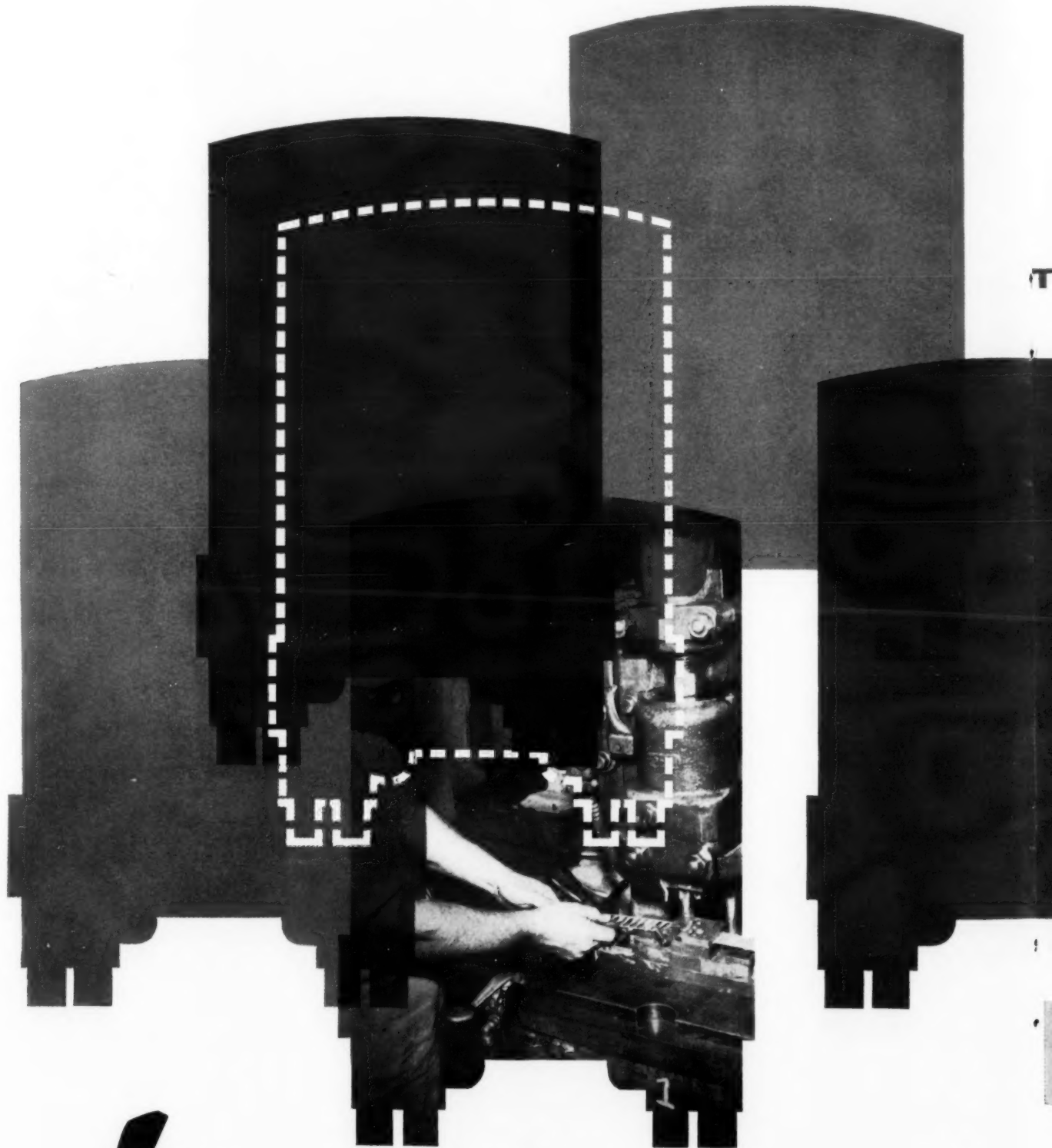
New Orleans—Economic conditions, both local and national, were the subject of discussion at a meeting of the Purchasing Agents Assn. of New Orleans.

James A. Oulliber, president of the National Bank of Commerce here, predicted an increase in loan demand by this fall and advised P.A.'s not to buy inventories too far ahead.

Also taking a look at economic conditions, Robert Elsasser, management consultant and economist, told the group he anticipated a steady 2% increase in gross national product.

Oulliber, chairman of President Kennedy's committee to boost the economy of the greater New Orleans area, said the award of the Saturn booster project to a local plant would have a great influence on local economy.

He also said the growth potential of New Orleans had been enhanced by new bridges.



**DIRECT
LINE
SERVICE**

BRIDGEPORT A

Perspective Professional

(Continued from page 21)
water and mud, another policy—known as stock reporting coverage on inventory, where the insured value varies from month to month according to the value of the inventory—is necessary. Rising water and mud losses are included in this type of policy but considerable negotiation with adjusters is involved, which emphasizes the necessity of maintaining accurate and complete records.

Certain standard procedures

have to be waived in emergency purchasing. There is no time to take bids, check prices, or negotiate. The entire emphasis is on availability and delivery. Even U. S. government and state purchasing agencies authorize such a procedure in times of emergency. However, the buyer always has the privilege of reviewing the prices after the emergency is over and negotiating differences when charges are obviously out of line.

Let us hope that you are never faced with the pressure of disaster buying of this type. But remember you will be in a better position to cope with the situation if you take the precautionary steps outlined.

Joint Purchasing Policy Taking Shape in Oregon

Salem, Ore.—The last wrinkles are being ironed out of the new joint purchasing program set up by the Willamette Valley Intergovernmental Corporation Council for state and local governmental units.

Some suppliers had objected to the centralized buying plan, claiming that the governmental agencies picked out low bids on specific items instead of awarding contracts to the over-all low bidder. Reason behind the objections: The bids on specific items were based on the assumption

that the bidder would win the total contract.

As a result, the Willamette Valley Intergovernmental Corporation Council has recommended that its members go along with the suppliers and award contracts on the basis of the lowest total bid.

The council is composed of the City of Salem, Marion and Polk Counties, the Salem School District, and the State of Oregon. It was formed as a result of the success which the City of Salem, the School District, and Marion

County had during the past several years with a joint purchasing operation on a more limited scale (see P W, July 17, '61, p. 1).

The council, in making its recommendation that the agencies not split up the contracts, emphasized that it is necessary to gain the confidence of the bidding companies in order to get the most out of joint purchasing.

Robert Van Horn, executive secretary of the council, said some members of the group may pay slightly more for certain items if the new policy is adopted, but that over-all costs will be less than if they did the buying on their own.

At the same time, it was announced that the City of Salem, Marion County, and Salem School District—the three units which form the nucleus of the purchasing combine—will pay 17.77¢/gal. for 350,000 gal. of regular gasoline to be delivered by bulk truck and trailer during the coming year.

The winning bid on the joint contract was submitted by Texaco.

Tidewater Oil Co. won joint contracts for bulk car lubricating oil.

Miss. County Reports Quick Benefits From Centralized Purchasing

Jackson, Miss.—Hinds County's new central purchasing agency—first of its kind in Mississippi—is already racking up savings, even before it is in full swing.

That's the word from G. H. Harris, who fills the newly created post of county purchasing agent, and his assistant, W. J. Brown, Jr.

Bulk buying and standardization both play an important role in the joint plan, Harris said. He outlined some of the ground rules, which include:

- **Year-ahead estimates.** Each county department will submit estimates of its office supply needs for a year ahead instead of making "as needed" purchases at small quantity premium prices. "Then," said Harris, "we can take two major steps: First, bulk-ing items together in asking for bids. Second, we will be able to standardize many items for use in different departments."

- **Standardizing forms.** Receipt books and letterhead stationery will be standardized. "A standard receipt can serve all departments as well as a dozen different ones," he said. A single grade of stationery will be decided on, with the only added cost "the minor one for changing type slugs."

- **Bulk purchases.** He cited a step in this direction in the case of envelopes, which were purchased in bulk for the county's eight justices of the peace at a saving of 66%. Old price of \$1,000 per year has been slashed to \$300, Harris said.

- **Widening supplier lists.** Both big and small printing houses will be able to bid on stock and special jobs for the county because "there will be enough variety and size of printing job to give every shop in the county a chance."

...one flexible and fast moving enough to jump when jumping is called for in filling your regular or special aluminum sheet needs? That fast-moving flexibility is built into a unique "Direct Line" sales policy that gives Bridgeport salesmen or deskmen direct access to our sales and technical management, or our mills. The result is a source for flat and coiled sheet that will excel in the service you can use to advantage — that has the capacity and ability to deliver *all* your requirements dependably whenever you wish.

Aluminum sheet is rolled to "special metals" quality by Bridgeport's modern mills at Warren, Ohio and Riverside, California. Well stocked Bridgeport Metal Service Centers provide quick local service in major metalworking areas nationwide. Bridgeport salesmen and deskmen offer a helpful objective service to metal buyers in the proper selection of aluminum, brass and copper alloys... call Bridgeport Brass Company, Bridgeport 2, Connecticut... offices in principal cities.

COILED AND FLAT SHEET: WIDTHS to 48", GAUGES 0.006" to 0.125"—**IN ALLOYS:** 1100, 1145, 3003, 3004, 5005, 5050, 5052, 5357, 5457, 5557... Bringing 95 years of metals experience to the production of quality aluminum.

**BRIDGEPORT
BRASS COMPANY**

Bridgeport

ALUMINUM SHEET



1. TOP MANAGEMENT BRIEFING. First step in "Operation Bootstrap" was updating P.A.'s on corporate policy and trends through lecture-seminar held in 1960. V.P.'s discussed marketing, production, organization, and decentralized purchasing at Armour.

HOW THE MANAGEMENT COURSE WORKS

1. SUBJECTS COVERED

Seventeen 1½-hour sessions cover Market Planning, Data Processing, Quality Control, Production and Inventory Control, Industrial Engineering, Cost Accounting, Budgets and Profit Planning, Armour organization and annual report.

2. INSTRUCTION METHOD

Study groups work under specialist from each subject area who guides the informal discussion, based on heavy home reading assignments. Though meetings are on company time, groups schedule them to suit their needs, often have extra meetings. A 100-question exam follows each block of instruction. Student's supervisors award him a certificate at completion of the course.

3. STUDY MATERIALS

Armour furnished company-written texts that tie principles into Armour's operating procedure. Outside reading also includes annual reports, management speeches, American Meat Institute publications, Dept. of Agriculture reports, and other financial and economic information.

2. GENERAL MANAGEMENT TRAINING. Armour's own middle-management course exposes P.A.'s, as well as production, marketing, and engineering supervisors, to full range of managerial and technical problems. Purchasing has 100% enrollment.

HOW ARMOUR DEVELOPS SHARP P.A.'S

"Operation Bootstrap" is Armour & Co.'s designation for Professional Development in purchasing. Because rapid changes in the food and chemical field had radically changed the purchasing job, the Chicago company started a thorough—and homemade—program last year to beef up its P.A.'s in technical and managerial skills. To keep up with fast-moving trends in marketing, package design, automation, and process engineering, purchasing has had to pull itself up by its bootstraps, says C. V. Short, director of purchases, recently appointed to a vice presidency. Not only did P.A.'s have to learn new technical skills, but they had to start thinking of themselves as managers as well.

This is why "Operation Bootstrap" is more than a study course. According to Short, it's designed to bring P.A.'s up to date not only in their profession, but on Armour as a company, and on the new markets in which it is competing. The program hit four areas where, Short says, purchasing needed beefing up:

• **New Organization.** Armour decentralized its purchasing operations several years ago, and P.A.'s at far-flung plants tended to lose contact with central management policies in marketing, finance, production, and procedures. Short's 1960 seminar brought in top management to brief P.A.'s on the over-all corporate problems.

• **New Technology.** Armour's business has become highly technical with the increase in automation and the addition of prepackaged meats, chemicals, and pharmaceuticals. The Armour Management Operations Course is designed to bring P.A.'s up to date on latest developments as they apply specifically to Armour processes. Fourteen P.A.'s have already graduated from the course, and 100% of the group will complete this year's course, a record for the company.

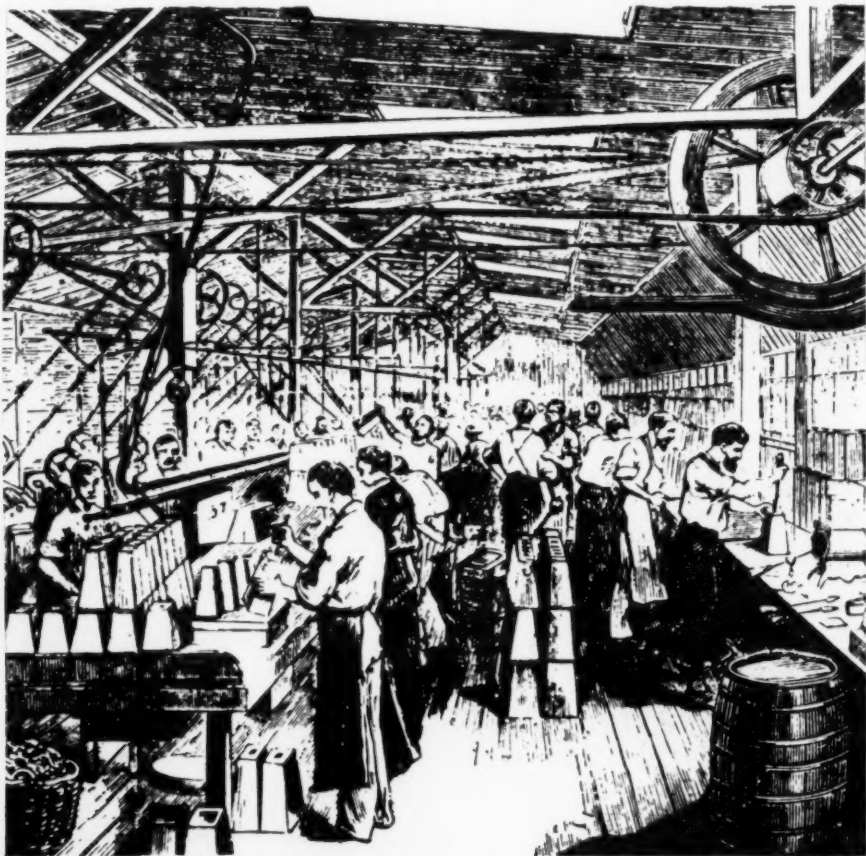
• **New Communications.** Armour has some 250 locations where purchasing is done, though control is centralized. Consequently local buyers have little personal contact with P.A.'s in Chicago. Short started publishing a monthly bulletin, "Purchasing News for Purchasing People" in order to give P.A.'s identity as a group, and provide a forum for exchange of ideas.

• **New Professional Outlook.** Short urges his buyers—now called purchasing managers—to think of themselves as professionals, participate in NAPA activities, and read professional literature. Purchasing seminars are designed to bring purchasing problems up for discussion and idea-trading, and Short's division is the first group at Armour to run such a company-wide program.

Upgrading of Buyers a Necessity

Armour's diversification into agricultural and industrial chemicals, and pharmaceuticals, in addition to complex packaging for meat, poultry, and dairy products, made the whole company's operation more technical. Contrasting the buying job of the 1870's with St. Paul's high-speed bacon-packing line (see illustrations below), Short comments, "This places a comparatively greater emphasis on the packaging of our products. Our buyers have to be familiar with modern high-speed equipment, new materials, new methods. The change in our marketing strategies simply necessitated an upgrading of our buyers."

Rather than bring in a crew of new men, Short felt that it was best to capitalize on the years of experience in purchasing. "Old timers know the company, its products and suppliers. It is easier to teach them the fancy new techniques such as EOQ than to indoctrinate school youngsters in the ins-and-outs of Armour



1878: Meat packaging was done in crowded, dim factory, with crude hand-made cans. Buyer's job was simple—only tin, wrapping paper, and twine needed. Package design wasn't important to sales in the past.



1961: Food industry uses high-speed automatic machinery as on the Armour bacon line at St. Paul (above). Now P.A.'s buy complex equipment, precisely cut packages. Market success depends on attractive package.



3. COMMUNICATIONS SPEEDUP. To give unity and vitality to department, Armour started "Purchasing News for Purchasing People." Here C. V. Short (right) goes over next issue with Walter Betz and E. J. Bloomfield, Chicago buyers who edit the paper.

HOW THE PURCHASING SEMINARS WORK

1. LOCATION

To get more participation by plant purchasing people, Armour took its seminar on the road to two major plant centers, Kansas City, Mo., and St. Paul, Minn. Local P.A.'s presented the entire program, built around discussion workshops.

2. WORKSHOP PROGRAM

Presentations emphasized local operating problems including inventory control, economic order quantity, supply planning, fuels, packaging, vendor records, construction and repair contracts, transportation and expediting, forms, sources of purchasing information, backdoor selling, feed buying, and leather operations. Purchasing management subjects included performance evaluation, research and development, and purchasing's place in Armour organization.

3. SPECIAL FEATURES

Guest speakers included Kenneth A. Kruse, Bendix Corp., NAPA VASCO chairman, and local plant managers. P.A.'s toured Armour plants and several supplier facilities. Workshop proceedings were later printed and distributed in reference book form to all P.A.'s.

4. PURCHASING WORKSHOP. P.A.'s put on program at 1961 purchasing seminar where local problems came up for discussion. Next year Armour will combine lectures, workshops, and visits to Armour Chemical plant and several suppliers' factories.

THROUGH 'OPERATION BOOTSTRAP'

policies and suppliers. A man's experience is worth something at Armour. We prefer to teach the old hands the new tricks."

Short's first purchasing seminar last year was a lecture on the company and purchasing in general. The two-day talks brought top vice presidents to brief the purchasing group—J. C. Mommsen, vice president-food sales, discussed merchandising trends; E. W. Wilson, executive vice president-industrial chemicals, discussed decentralized purchasing with centralized control, and H. E. Brooks, corporate v.p.-personnel, discussed the necessity for self-improvement in the fast changing business world. Short notes, "The lecture orientation provided us with a way of bringing decentralized P.A.'s closer to management policies. It was used as a communications tool."

Having developed an understanding of company organization, Short turned to a workshop discussion session for 1961, with the program put on entirely by P.A.'s at the local level. Next year's seminar will be a combination of lectures and workshops, with a visit to an Armour plant and several vendors.

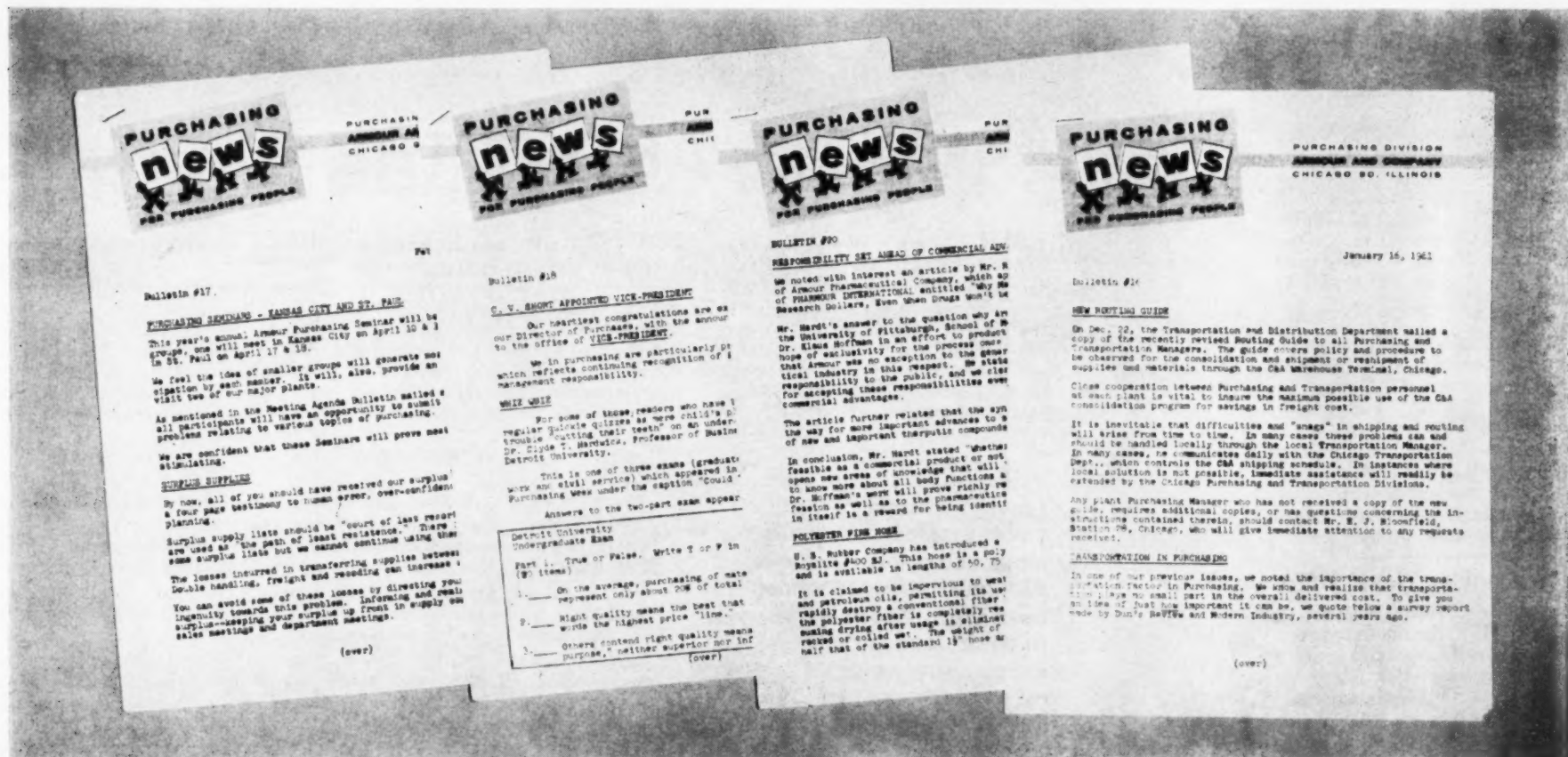
The department's "Purchasing News for Purchasing People" serves as an organ for building esprit de corps and keeping P.A.'s in touch between annual meetings. It covers a wide range of purchasing matters—changes of purchasing policy and procedure, prices of common items, new products and materials, EOQ, traffic, surplus disposal, as well as reprints from management magazines. A regular business outlook page fills the buyers in on economic trends that affect Armour. Of course, there are social notes, and a popular "Quickie Quiz" on purchasing, written by Edward Smith, purchasing manager in Fort Worth. This way readers can test the success of their efforts in Operation Bootstrap.

The paper has gained a loyal following outside the purchasing department, too. Sales and production people frequently request copies and articles because they find that the purchasing viewpoint covers not only the materials aspect, but also is concerned with package design, supermarket trends, quality control, research and development, and the like.

Need for Increased Technical Knowledge

Though only a few of Armour's buyers are trained engineers, Short finds that they are getting more involved in technical problems. For example, bacon cartons once could be bought as simply as a printing job. Now that packing is largely automatic, the box must be cut to a precise size, with proper color registration and paper "grain" running the correct direction for automatic folding. Armour purchasing managers have "bootstrapped" into this field by working closely with their own engineers, packaging suppliers, and machinery manufacturers.

Automation has underscored the need for increased technical knowledge, says Short. Not only does the P.A. become immersed in technical details in buying the machine, but he must understand the servicing arrangements, costs, and spare part situation. And Armour's P.A.'s have had to learn more about their own products, too, because the size, temperature, organic chemical properties, and appearance of meat, for example, affect the final package as it appears in the market meat freezer. Over Short's desk is a sign that emphasizes the new role of purchasing in selling to the housewife: "A package the customer does not like is not a good package whatever its other virtues."



COMMUNICATIONS LINE: Monthly bulletin, "Purchasing News for Purchasing People," written and produced by P.A.'s, keeps Armour buyers in touch between annual meetings, provides forum for news, exchange of operating tips, social notes. Features have

included articles on EOQ, traffic, new plastic films, speed reading, and popular "Quickie Quiz" on purchasing facts and figures. Paper also serves to commend those who make progress in "Operation Bootstrap" courses and reports on training methods.

Flying Tiger Files Revised Cargo Rate Structure

Washington — Flying Tiger Line has filed a new rate structure with the Civil Aeronautics Board, which had ruled that minimum rates would be scrapped on Oct. 1. Under the new schedule, which becomes effective Oct. 16, rates are lowered from an average of 18½¢/ton mile to 13½¢, with some rates reduced as much as 40%.

"Purpose of the tariff," said an REA spokesman, "is to enable bulky objects to pay their own freight by bringing their rates down to a level comparable to surface rates." As an example, he cited automobile fenders, plastic rods, and similar items which have traditionally presented a packaging or handling problem for air shipment.

Under the proposed Tiger tariff, commodities are classified into seven classes based on weight per cubic foot. The higher the density, the lower the rate.

The rates do not show "substantial alteration," the Tiger spokesman said, except for high-density items. Biggest reductions occur in items which weigh a lot but occupy little space.

The class-rated tariff removes specific commodity rates for all but about 600, or approximately 6%, of the total items listed in the new class descriptions.

The tariff is based on a rate structure used by the New England Motor Freight Bureau, which bases class rates primarily on density. The dollar spread between the per-pound and the 100-lb. rate increases in the higher-density classes, making them more attractive for volume shipment.

Thus, the per-pound rate for

Class 1 is 51¢, and the per-pound rate for Classes 2, 3, 4, and 5 is 33¢. But the 100-lb. rate for Class 1 is \$47.14; Class 2, \$28.28; Class 3, \$24.46; Class 4, \$20.63; Class 5, \$16.80.

A 50-lb. minimum was established in the per-pound rates instead of the present minimum of \$4 or the charge for 25 lb., whichever is greater. The minimum approximates the same amount as 100 lb. at Class 5.

Rates are based strictly on the mileage. Only one weight break in the class rate structure is in-

cluded, with a rate reduction being given for shipments of 5,000 lb. or more.

The line said specific commodity rates eventually would be established for some items in the proposed class rate structure, but that these rates would be published "only when shippers tender a steady volume of traffic between points where Tiger has empty capacity." This would occur most frequently on east-bound flights, the line said, which have lighter freight movements.

Spector Expands Midwest Service In Move to Boost LTL Shipments

Chicago—Spector Freight System, Inc., has begun regularly scheduled LTL service to and from seven midwestern cities in an effort to boost its LTL volume by 6%.

Spector said the new schedules, known as "Crown Service," will provide second-morning delivery of LTL shipments. Departures will be made four times a week from each of the cities, with priority unloading regardless of payload.

The service links Kansas City to Cleveland and Detroit, via Peoria and Toledo. It also connects St. Paul to Cleveland and Detroit, via Rockford and Toledo.

Roger Gerling, vice president for sales, said LTL freight now accounts for about 49% of the tonnage handled by Spector. "We would prefer it to be 55%, and this new Crown Service is one move to increase our LTL volume," he said.



FACTS ABOUT THE EXCITING

FACT 1—Lark's wheelbase is a comfortable 113". Pioneered by Lark for fleet use 4 years ago (but only now being adapted by competition), the medium wheelbase is considerably longer than the little compacts and assures a better ride on any surface, plus the "solid" feel so important to the driver.

FACT 2—Lark's over-all length is a sensible 188". Compared to other "new-size" cars, which measure upwards of 196" over-all, '62 Lark's almost total absence of deadweight overhang is an important economy factor. Relatively short length also guarantees easy parking and space-saving storage and shop room.

FACT 3—Lark's front headroom is 36". Front legroom 43.5". This means more comfort for driver and one or two front passengers. Wide front doors have no big, knee-knocking doglegs; they do have flush floors (no wells); a man can get in and out of a '62 Lark without knocking his hat, tripping or skinning his shins.

- ✓ **LOWEST-PRICED OF THE "NEW-SIZE" CARS**
- ✓ **MORE LEGROOM THAN ANY CAR PRICED UNDER \$5,000**
- ✓ **OPERATING ECONOMY PROVED IN OVER 1,000 FLEETS**
- ✓ **ENDURANCE-BUILT BY STUDEBAKER FOR YEARS OF SERVICE**

There are many other Fleet-size '62 Lark facts that you, as a fleet operator, should know. These include Lark's new and more efficient rust-proofing, its 12 new noise-suppressors, exclusive front-and rear-standard seat belt anchorages and other Lark economy, safety and comfort advances. You should also know about the fleet records Lark has made in economy, long life, high trade-in value, low maintenance costs and freedom from frequent repair and adjustment necessity.

For complete information, specifications, a full list of available options and a report on Lark's suitability for your particular type of fleet or fleets, fill out, clip and mail the coupon. **When you balance your books, you might be very glad that you did!**

CAB Examiner Endorses Merger of Riddle Airline, South American Carrier

Washington — A Civil Aeronautics Board examiner has recommended approval of the merger of Riddle Airlines and Aerovias Sud Americana, two all-cargo carriers.

The combined carrier would have routes extending from the Great Lakes and New York-New England areas south through Miami into 13 nations of Central and South America. Under the agreement, Riddle would acquire the stock of ASA and would be the surviving carrier of the merger.

The examiner's recommendation still must be acted upon by the five-member CAB and by President Kennedy. Pan American World Airways, Pan American-Grace Airways, and Braniff Airways, all of which have combination passenger-freight operations into Central and South America, oppose the merger.

New Cadillac Plastic Office

Detroit—Cadillac Plastic & Chemical Co., distributor of plastic warehouse shapes, opened a new warehouse-sales office in Louisville, Ky. Company said the new warehouse will provide overnight service on 90% of orders received from Kentucky, Tennessee, and West Virginia. It also will serve parts of Indiana, Illinois, and Missouri.

1-Lb. Magnet More Powerful Than 20-Ton Unit

New York—Westinghouse has developed a magnet the size of a doughnut but twice as powerful as a conventional, car size unit. Company scientists see it as a major aid in the development of new methods of generating electricity.

Westinghouse claims that the device, which uses the electromagnetic principle, is—for its size, weight, and power consumption—the most powerful magnet ever built. It weighs 1 lb. and can operate with only a small amount of power from an automobile bat-

tery. A comparable conventional magnet with only half the power would weigh about 20 tons and each hour use as much power as an ordinary home does in two weeks.

The new "superconducting" device is a coil of niobium-zirconium alloy wire which is kept at -450 F. At this temperature, said Westinghouse, the magnet loses all resistance to electricity and, once a current is started, needs only a 6-v. automobile battery to supply power lost in the uncooled wires leading to it. It

produces a magnetic field with a strength of 43,000 gauss. Westinghouse plans to produce a magnetic field of 100,000 gauss within the next few months.

Massachusetts Institute of Technology is presently building the most powerful conventional magnet, to produce a field of 250,000 gauss, but this will require tremendous amounts of electric power and large quantities of water to keep it from melting. Westinghouse says that magnets as powerful can be built with its technique.

Petroleum Refiners' Association Calls for End to Gas Price Wars

Atlantic City—A call for oil companies to "stop practices that lead to ruinous price wars" went out from the first general meeting of the National Petroleum Refiners Assn. The meeting was aimed at preserving the role of the independent oil refiner in producing, refining, and marketing.

"Price wars are not in the public interest," said NPRA President Reid Brazell. He said a continuation of current price battles will not only "wipe out the

independent refiner and smaller major companies," but also lead to "legislation that, although aimed to preserve competition, will hurt all of us."

The threat of Russia's dumping oil on world markets came in for considerable discussion at the meeting. As a countermeasure, Canada's Ernest C. Manning, premier of Alberta, called for a combined U.S.-Canadian continental oil policy.

Other problems tackled at the meeting included:

- **Transportation survey.** The need for a national survey of the transportation resources of the petroleum industry was cited by ICC member Clyde E. Herring. He said estimates of intercity tonnage now moving without any economic regulation run as high as 70% of the total, and thus are "statistically nonexistent" for mobilization planning purposes.

He praised plans of the National Petroleum Council to conduct a survey of all users of units in excess of 4,000 gal. in the petroleum industry.

- **Oil change intervals.** Great concern was expressed over the 6,000-mile interval between oil changes which some car manufacturers are recommending for passenger vehicles. Extending the period beyond 4,000 miles may result in "oil deterioration," said Chrysler Corp. vice president of engineering P. C. Ackerman, who pointed out that Chrysler was recommending 4,000-mile oil changes for its 1962 cars.

Waterways Conference Seeks Aid of Shippers In Battle Against Tolls

Houston—The newly formed National Waterways Conference sought to enlist the aid of Gulf Coast shippers in an attack on proposed waterway tolls.

Members of the carrier group told some 75 representatives of top Gulf Coast industries that the chemical and petroleum industries would be critically affected by passage of toll legislation.

William J. Hull, secretary-treasurer of the conference, asserted that the present move to impose taxes on users of inland waterways, if successful, would lead to "similar taxes being imposed on ocean harbors."

Joseph J. Gannon, Jr., managing director of the conference, said there had been three recommendations in the past two years to levy user charges on inland waterways:

- A waterway fuel tax urged by the Commerce Dept. that would "increase present water costs 25%."

- Excise taxes, fuel taxes, lockage fees, and user charges proposed by a special study group reporting to the U.S. Senate Committee on Commerce, which would "increase water transportation costs by 67%."

- Tax bills introduced by the Senate and House which would average "50% of present waterway transportation costs," and amount to "100% and above on much waterways traffic."



NEW '62 FLEET-SIZE LARK

FACT 4—Lark's rear legroom is 49". Only the biggest cars, like Cadillac, have more rear legroom than Lark. Rear seat passengers can stretch their legs and really relax. Same flush floors and wide doors as up front, make getting in and out easy. Redesigned trunk roomier than ever, has low-cut opening for easy loading.

FACT 5—Lark's new ladder-type frame is 20% stronger. Rigidly bolted to the heavy gauge steel frame is Lark's solid, welded steel body. This construction is the safest known and the easiest, fastest and least costly to repair after crash damage. Bolted-on fenders, easy to replace—an unskilled laborer can do it in minutes.

FACT 6—Lark offers widest power choices. Lark's standard Six is 112 HP. You also have 4 choices of V-8 engines, from 180 to 225 HP. Four transmissions — including gas-saving overdrive — and six rear axle ratio choices (the latter at no extra cost), make it possible to power-match the '62 Lark to every specific fleet need.

NEW '62 LARK
STUDEBAKER

Maker of America's best-built cars and trucks

GET THIS VALUABLE INFORMATION RIGHT NOW!

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Title _____

Company _____

Address _____

City _____ Zone _____ State _____

Please check the following: Type of business. Public utility ☐ Taxicab ☐ Rental and/or lease ☐ General business ☐ Oil industry ☐ Municipal ☐ State ☐ Federal Gov't. ☐ Police or patrol ☐ Number of units in fleet _____

Mail your coupon to: Mr. A. E. Fitzpatrick, Mgr. of Fleet Sales, Studebaker, South Bend 27, Indiana.

Barrel-finishing is best finishing to cut costs of your machine parts

It's common knowledge that barrel-finishing is now the one outstanding way to cut costs and improve the appearance of mass-produced parts.

If you're missing these production advantages because you've felt your own particular machined parts may be too delicate and complicated... too big and heavy... or not the right material... this message is for you!

The fact is that barrel-finishing with Norton TUMBLEX* abrasives is your surest, quickest way to remove burrs, provide uniform radii, improve surface finish and increase the fatigue strength of the parts you are machining.

The variety of materials, sizes and shapes covered is practically unlimited. Materials include ferrous, non-ferrous, and modern space alloy metals — also plastics and many other non-metallics. In sizes, anything from tiny roller bearings to aircraft wing spars can be handled. And shapes can be the most complicated ever processed.

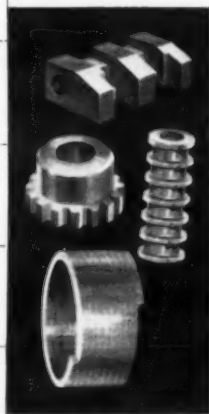
For your product's eye-appeal, barrel-finishing provides excellent finish. Lower handling costs are assured by the barrel-finishing ability to combine several operations — deburring, breaking sharp edges, surface finish refinement, etc. — at the same time. In addition, your barrel-finished machined parts can be plated without burnishing or buffing — and welded or brazed after simple cleaning.

Get complete proof. Send sample parts to our Sample Processing Department. We'll barrel-finish, return samples and report the methods and abrasives you need for new production advantages. NORTON COMPANY, General Offices, Worcester 6, Mass. Plants and distributors around the world.

*Trade-Mark Reg. U.S. Pat. Off. and Foreign Countries



Barrel finishing your own machined parts with the right TUMBLEX abrasive improves their quality and appearance. And this faster finishing can cut your cost-per-piece produced.

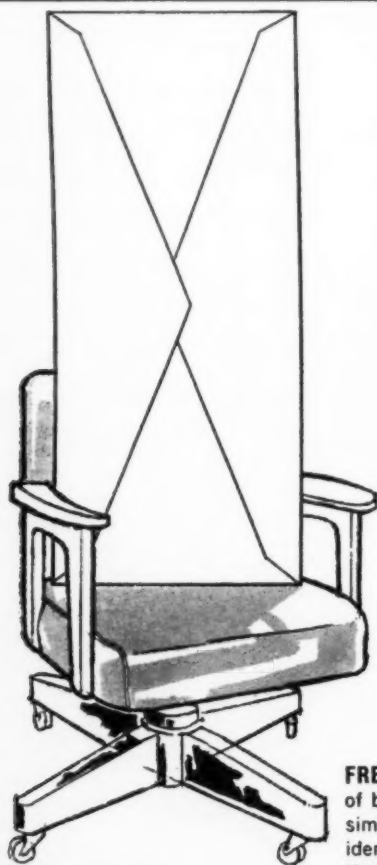


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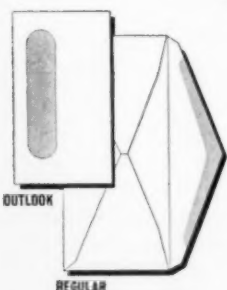
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by U. S. Envelope Co.

Meetings You May Want to Attend

FIRST LISTING

National Packaging Forum—23rd Annual Meeting, Biltmore Hotel, New York City, Oct. 18-20.

National Office Management Association—Communications Conference, Philadelphia, Oct. 9-11.

Eastern Industrial Traffic League—Lexington Hotel, New York City, Oct. 17-19.

California Industrial Development Conference—San Francisco, Oct. 20.

National Automatic Merchandising Association—1961 Convention, McCormick Place, Chicago, Oct. 28-31.

PREVIOUSLY LISTED

OCTOBER

NAPA, District 2—15th Annual Southwest Purchasing Conference, Statler Hilton Hotel, Dallas, Oct. 5-6.

First Annual Western Building Industries Exposition—Great Western Exhibit Center, Los Angeles, Oct. 7-10.

National Institute of Governmental Purchasing (NIPG)—16th Annual Conference and Product Exhibit, Hotel Commodore, New York City, Oct. 8-11.

National Aeronautics & Space Engineering and Manufacturing Meeting—Hotel Ambassador, Los Angeles, Oct. 9-13.

12th National Conference on Standards—American Standards Assn., Houston, Tex., Oct. 10-12.

NAPA Chemical Buyers Group—National Fall Conference, Chase Hotel, St. Louis, Mo., Oct. 10-11.

Metal Lath Manufacturers Association Meeting—The Miramar, Santa Monica, Calif., Oct. 11-12.

NAPA, District 4—Purchasing Conference, Pick Fort Shelby Hotel, Detroit, Oct. 12-13.

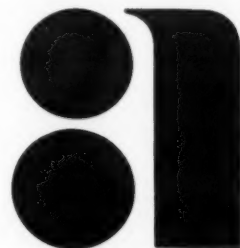
Trade Fair—State of North Carolina, Charlotte Coliseum-Merchandise Mart, Charlotte, Oct. 12-21.



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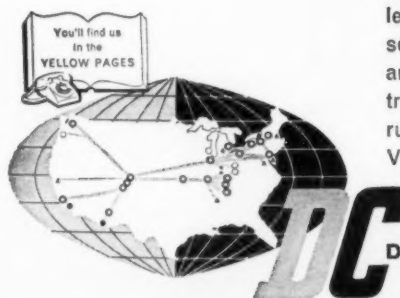


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DENVER CHICAGO TRUCKING CO., INC.
the ONLY direct coast-to-coast carrier

Lower Costs Still Give Imports Competitive Edge

New York — Import competition will remain a potent factor in U.S. industrial procurement for a long time to come.

That's the major implication of a new National Industrial Conference Board (NICB) study which reveals that overseas suppliers—thanks mainly to lower labor costs—still have a big advantage over their American counterparts.

Based on the manufacturing experience of American firms with plants abroad, the study reports these specific findings:

• **Total costs**—Significant cost advantages over American products are found in all highly industrialized countries. Thus, for every European product that has a higher-than-U.S. total unit cost, there are over three that show up with lower costs (see chart right).

This basic advantage, however, doesn't apply to all the lesser industrialized countries. Thus, the report shows that higher total costs are more prevalent in Canada, Australia, and the Latin American countries.

• **Cost trends** — Comparison with an earlier NICB study made in 1956 reveals a tendency toward narrowing of the differential between U.S. and foreign products. For example, products that have been cheapest to produce abroad have lost some of their cost advantage. But those more expensive to make overseas have come down a bit.

• **Labor costs**—In all the countries covered by the survey (industrial and nonindustrial), wage rates were lower than in the U.S. The differentials were generally more than enough to offset higher U.S. productivity—and therefore keep foreign unit labor costs below American levels.

This foreign unit labor cost advantage was generally substantial, according to the Conference Board, which notes that "foreign labor costs were less than two-thirds of the comparable cost here in half the operations examined."

• **Productivity**—As the report implies, if it were not for greater U.S. productivity, the cost gap between domestic and foreign producers would have been a lot bigger. According to NICB, the U.S. advantage stems from a variety of causes — including greater mechanization, higher volume, and greater labor skills.

The board, however, thinks that the productivity gap may be narrowing. It notes that "where foreign plants employ modern equipment, are highly mechanized, and have a relatively high volume of output, productivity tends to approach that of comparable domestic plants."

• **Material costs**—It's only in the area of material procurement that American producers have a substantial advantage. Thus, "outlays on materials abroad exceed similar expenses here two times out of three and often by a sizable margin."

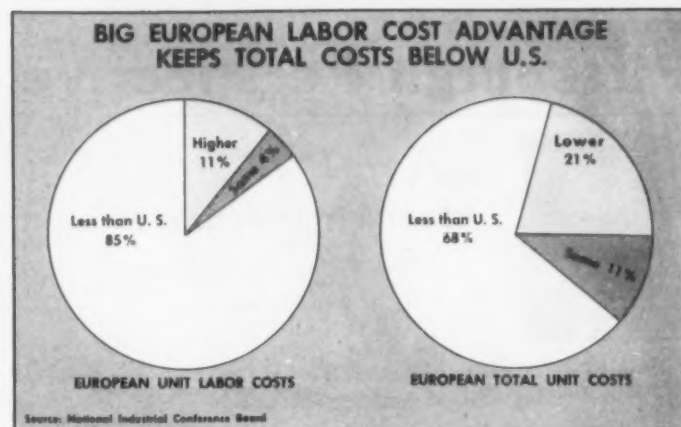
Here are some of the specific findings based on a study of identical products here and abroad: In the U.S., direct materials take roughly 37¢ out of the aggregate cost dollar. For overseas operations, materials account for 46¢ out of the dollar.

• **Other costs**—Foreign factories tend to have the cost edge, too, as far as plant overhead is concerned. And while there's less of a cost advantage on general and administrative functions, this type of overhead is generally less expensive in Europe.

On selling and distribution costs, the board makes these observations: "Selling costs are uniformly and clearly less abroad. Lower wage costs, more extensive use of foreign distributors,

and the generally smaller sales and promotional effort accounted for much of this difference."

• **Cost and size**—Generally speaking, the larger the foreign supplier's operation, the greater the cost advantage. This stems from the fact that most new automated equipment has been going into the bigger overseas plants—since these are most suited for the mass production techniques that are now being introduced in many parts of the world.



Purchasing Week

October 2, 1961

If you use 40-watt fluorescent lamps here's money-saving news from General Electric

It's the brightest 40-watt cool white fluorescent ever made. With the General Electric NEW F40 you get a 7% bonus in light at no extra cost. This extra light is worth 15¢ to 30¢ a lamp to most users. Yet the price of this lamp is the same as for ordinary fluorescents that give less light.

Now you can increase your present lighting level without spending a single extra penny for lamps, fixtures or electricity. Or, if you're putting in a new lighting installation, you can get the light level you want with fewer lamps and fixtures.

General Electric scores another first in offering you this bonus in standard 40-watt "white" fluorescent lamps. The G-E NEW F40 is rated at 3100 lumens in popular cool white, 3250 in white or warm white. That's because of three light-producing G-E Premium 3 construction features available for the first time in a lamp that sells for the same price as ordinary fluorescents—

only \$1.30 for cool white, \$1.35 for other "white" colors:

1. G-E wattage-miser electrode helps convert power ordinarily lost in the cathode into useful light—free.
2. New, more efficient gas mixture.
3. New electronically screened bonus-phosphor.

NEW F40 is rated at 7500 hours in Rapid Start and starter-type circuits (6000 in systems installed before 1954). In pre-'54 circuits use F40/54 lamps. You'll get 7500-hour life, same light as ordinary 40-watt fluorescents (2900 lumens) at the same price (\$1.30 cool white). General Electric Co., Large Lamp Dept. C-123, Nela Park, Cleveland 12, Ohio.



Progress Is Our Most Important Product



GENERAL ELECTRIC

NEW F40
ONLY \$1.30 LIST

Purchasing Week's Pittsburgh Perspective



Part II

Steel's Marketing Push

By Arthur Zimmerman

P/W Correspondent

Steelmakers, facing up to the facts of life in a buyer's market, are taking several basic approaches to their competitive difficulties. The most common, of course, consists of radically improving and broadening product lines. Here, instead of reaching out to new end functions and working back to mill products (a strategy typified by U.S. Steel's "selling in depth" program, as reported in P/W Sept. 25, '61, p. 23), the producer begins with present mill products and strives to enlarge markets and compete more effectively for existing markets by improving those products.

Steel producers always have made a practice of improving and broadening their lines. What's different now is the rapidity

with which these improvements are being made. No customers of any significance are being overlooked.

Jones & Laughlin Steel Co. entered the stainless steel field by acquiring bar capacity of Rotary Steel in 1957. Now that's been expanded to include flat rolled products as well.

J&L also moved into electric steels, low-alloy, high-strength steels, and thin tinplate. In oil country tubular goods, seven or eight different joint systems are used to connect lengths of pipe for deep wells. Until recently, no one tubular goods supplier had all systems available. J&L has put in facilities to make any common standard joint system.

Republic Steel Corp. has made quite an impression on the pipe market with its exterior plastic coated steel pipe, X-tru-coat. While Republic will say no more than that it is working on a similar interior plastic coated pipe, it's not difficult to foresee this as another new product as soon as it can be brought out of the development labs.

Republic, as a heavy alloy steel and stainless steel producer, is putting special emphasis on its educational sales programs. Called Order Makers Institutes (subject of the first was merchant and oil country pipe; stainless steel was the second), these are full-dress presentations calculated to tell anyone dealing with customers for steel, especially distributor salesmen, more about the broad range of steels available.

In stainless, for example, there are some 240 analyses available, of which the average distributor usually handles 20 to 25. Yet, says Republic, a broader knowledge of the other 220 stainless steels could make more sales for this relatively high cost per pound material. For instance, one automaker, who watches costs to the third and fourth decimal points of a penny, is closing a relatively new chrome plating plant for plating brass hub caps and going over to stainless steel hub caps.

Republic is trying to teach its distributors that anyone with a plant plating item is a potential stainless steel customer.

At about midyear, Armco Steel Corp., Middletown, Ohio, first U.S. producer of continuous hot-dip galvanized steel, led the way—though not by far—with differential coated galvanized (one side with a heavy coat, the other side of minimum coating), and spangle-free galvanized, improved sheet for patining. Armco, along with Bethlehem Steel, U.S. Steel, and others, also got into commercial production of one-coat porcelain enamel sheets.

Then, in August, Armco unveiled its new 72-inch continuous coating line. So, not too far up the pike is differentially coated 72-inch galvanized stock.

A word also should be said for a third avenue of marketing being followed by nearly all steel producers against the current buyer's market: the steel mark program of the American Iron & Steel Institute. Inspired by studies of consumer attitudes toward steel, the steel mark program is aimed at the man in the street; the purpose is to identify in the consumer's mind the fact that steel is indeed modern and light and beautiful, as well as strong.

In almost two years, more than
(Continued on page 31)

NEW, IMPROVED KANT-SLAM HYDRAULIC DOOR CHECK

STOPS SLAMMING DOORS!

CLOSES Large or Small Doors, Screen Doors
and Gates—Easily, Gently, Smoothly
STOPS Slamming... Banging... Broken Door
Glass... Insects... Drafts... Heat Loss



\$11.95

KANT-SLAM closes doors with efficiency of human hand. Hydraulic action—NOT an air check—piston works in oil. New! Improved packing for smoother-than-ever, more efficient operation! 3 years trouble-free service guaranteed. Price about half of other hydraulic controls.

Works any place along hinge side of door—top, middle or bottom—either right or left hand doors. KANT-SLAM is completely self-contained—door and hinges are absolutely free of any strain or pressure. Holds door open when past 90 degrees.

Only one size Check required—three sizes easily detachable springs available for various size doors. Simple screw adjustment for closing speed.

Order on 30 Days' FREE TRIAL at \$11.95 f.o.b. Bloomfield, Indiana, or write for complete details.

KANT-SLAM DOOR CHECK. CO.

4261 West Spring St.,

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ATTRACTIVE DARK BRONZE
METALLIC LACQUER FINISH
HAMMERED BRONZE EFFECT

Used by Hundreds
of Nationally-
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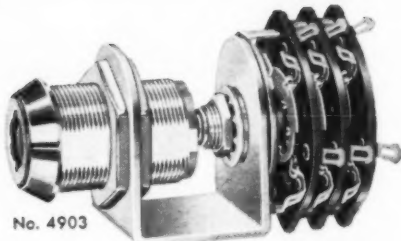
Oak Ridge Atomic Energy
Plant, University of North
Carolina, Great A. & P.
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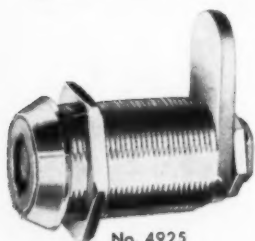
**CHICAGO ACE
PIN TUMBLER LOCKS**



No. 4903



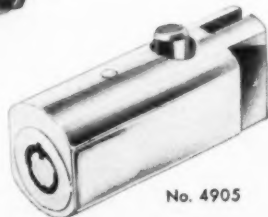
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Hardened Steel ACE Key



No. 4905

Here is the only line of locks listed by Underwriters' Laboratories. The unique ACE Locks provide the maximum in mechanical security. Over 80,000 keying combinations are possible so that you may have your own factory-registered tumbler set-up. For technical details on models available for various applications, write for Switch Lock Bulletin UB 501.

CHICAGO LOCK CO.

2056 N. Racine Avenue • Chicago 14, Illinois

From Stock **FAST** Laminated Plastic Sheets, Rods & Tubes



An Example of Synthane You-shaped Versatility

Want laminated plastics or parts in a hurry? Synthane has greatly expanded its stock of sheets, rods, and tubes. Nearly all grades and thicknesses of sheet stock, almost any size and grade of rods, and the most popular tubing diameters, wall thicknesses, and grades are available. Shipments can be made same day order is received. A large inventory of in-process materials speeds up deliveries of custom parts fabricated by Synthane. Telephone GLendale 2-2211 (Pennsylvania) or, on the West Coast, CHapman 5-1093 (Glendale, Calif.)

You-shaped Versatility makes Synthane a Better Buy in Laminates

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Synthane Corporation, 8 River Rd., Oaks, Pa.

Gentlemen:

Please send me information regarding the facilities of Synthane for fabricating laminated plastics.

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Product News in Brief

USIC Makes New Resin

New York—U. S. Industrial Chemicals Co. is producing a new polyethylene resin for manufacture of blow-molded bottles of high strength. It also may be used for injection molding.

Called Petrothane 225-2, the material is said to produce containers that excel in toughness and stress crack resistance, and exhibit good low-temperature flexibility. The bottles and containers also exhibit high weld-line strength and good gage uniformity at the parting line.

Processability characteristics include low odor and smoking during molding, and easy pigmentation. Single or multicolor printing can be added to finished items after standard heat or electronic treatment.

Du Pont Improves Teflon

Wilmington—Du Pont is marketing an "improved" Teflon for braided packing for pumps and

valves. The company says it shows promise of economically replacing conventional packing materials subjected to a wide range of corrosive fluids.

Higher performance is claimed due to bleaching and preshrinking of the fiber before braiding to completely remove all carbonaceous materials and to increase dimensional stability at elevated temperatures. Properties of the packing include resistance to flow, self-lubrication, chemical inertness, and a wide operating temperature.

The yarn is priced at \$18/lb. for 400 denier and \$14/lb. for 1,200 denier.

Paper Withstands 3,000 F

Windsor Locks, Conn.—C. H. Dexter & Sons, Inc., is producing a paper able to withstand temperatures as high as 3,000 F.

Made of quartz fibers, it is intended for uses such as thermal blankets and high-temperature laminates, and can be used also for cryogenic applications. The paper (picture, right) comes in sheet or roll form, in thicknesses



of .0015 in. to .085 in., and in widths of 1/2 in. to 84 in.

New AVRO Vehicles

Toronto—AVRO aircraft division of A. V. Roe Canada Ltd., has designed two land vehicles to cope with transportation problems of northern Canada.

One vehicle, weighing 500 tons, is designed to haul a 100-ft. drilling rig plus pumps and other equipment. It is four stories high, 100 ft. long, and has wheels 50 ft. in diameter. Payload capacity is 200 tons, and a crew of 40 men could live in it.

The smaller vehicle (weight: 1 ton) would have a four-wheel drive and operate on the principle of the air cushion, which would support most of its weight.

Pittsburgh Perspective

(Continued from page 30)

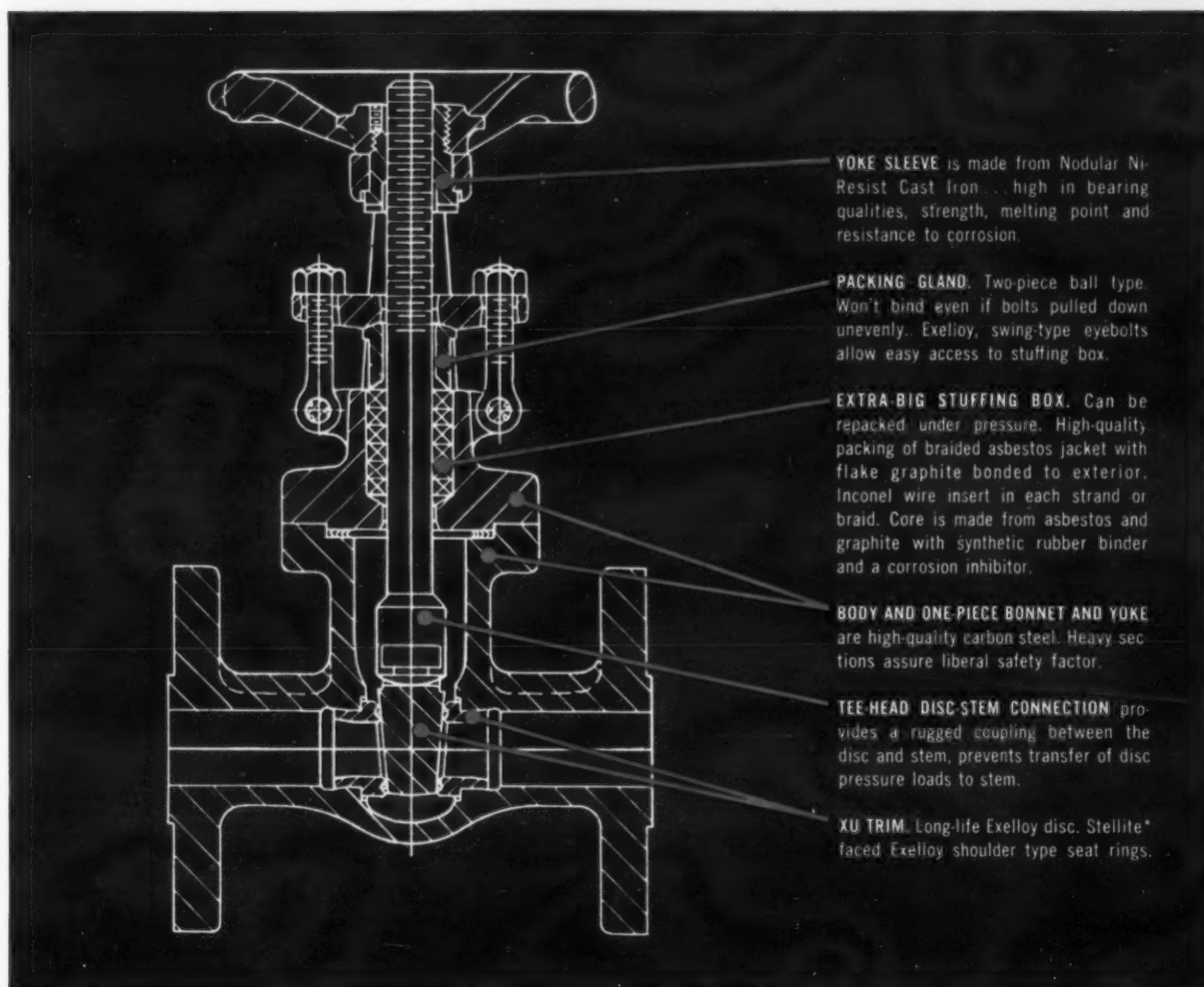
33-million steel mark labels and tags have been distributed to sellers of steel products. From store-wide to city-wide promotions, the steel mark has been the battle flag of the steel producers in mass assaults on the mind of the man in the street.

More important, the new marketing efforts of the steel companies also affect purchasing managers. Historically the roles of the steel salesman and the purchasing agent were well defined. There were certain products that were always made out of steel because they had to be heavy and strong. Now there is a wider choice of materials to fill certain functions; desired functions are changing. More and more the salesman and the customer must talk in terms of materials to supply functions.

Under these conditions, the purchasing agent can throw up his hands, say it's too much to try to understand. Or he can become the key control point for the necessary exchange of information between salesman and designer. The purchasing man must learn what his own engineers and designers need or will need; then select the best possible sources for such materials and get the two together.

One vice president of purchasing we know did just that. He asked department heads to tell him what kinds of materials they thought they would need to build products 5 to 10 years hence. Then, the purchasing man went to his materials suppliers and got them thinking along those lines.

A heavy tractor manufacturer now fabricating a USS T-1 steel weldment for a transmission cover instead of a casting may never have discovered the lighter, stronger, cheaper material if a steel salesman had not spotted the possibility on a walk through the plant. With today's spectrum of 10,000 steels, ever growing and changing opportunities exist in many plants. It's up to the purchasing manager to help uncover them.



Crane adds flanged 150 & 300-pound steel gate valves to famous 3600 series.

Gives you a complete line of Small Steel Gate Valves suitable for all services at temperatures up to 1000 F. Available in sizes 1/2" to 2". Gives you design refinements generally associated only with higher priced valves.

The drawing illustrates only a few of the important features of these superior valves. There is built-in quality and reliability in every detail. Outside screw and yoke ruggedly

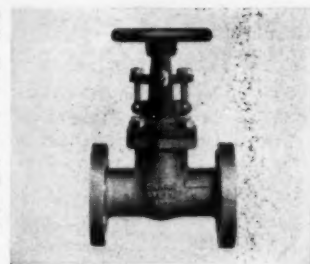
constructed. Stem is heat treated Crane Exelloy. Bonnet joint gasket of spiral wound, Type 316 stainless steel with asbestos filler.

The cast steel 150 & 300-pound valves have "XU" trim and flanged ends (face-to-face conforms to ASA B-16.10) . . . figure numbers 3510XU (150 pound) and 3514XU (300 pound).

With the addition of these new valves to the 3600 Series, Crane now

offers you the industry's finest choice of quality, small steel valves. All of them are ideally suited for use with steam, water, air, gas, oil, oil vapor, gasoline, fuel oil and similar services.

More details from your Crane distributor. Or write to Crane Co., Dept. N, Industrial Products Group, 4100 South Kedzie Ave., Chicago 32, Ill. In Canada: Crane Ltd., 1170 Beaver Hall Square, Montreal.



AT THE
HEART
OF HOME AND
INDUSTRY

CRANE

VALVES AND PIPING
ELECTRONIC CONTROLS
PLUMBING
HEATING • AIR CONDITIONING

Purchasing Week's Automotive Perspective

(Editor's note: The following is the third in a series of columns discussing the highlights of the 1962 model cars with emphasis on their fleet characteristics.)

Rambler American

American Motors completely revamped its American last year and has maintained styling stability on the entire line for 1962. Offering 12 models in three series, the American has kept the passenger car industry's only remaining L-head six as standard on the two least expensive series. A 125-hp. version with over-head valves is standard on the top of the line and optional in others.

An interesting option—it could be called "the poor man's automatic transmission"—is exclusive to the American. Called the "E-Stick," it offers most of the convenience of an automatic transmission at nearly one-third the price.



The driver moves the lever through first, second, and third gear positions in the normal manner, but no foot clutch is required. A conventional clutch hidden under the floor boards is operated automatically by a combination of engine oil pressure and intake manifold vacuum. The usual manual transmission is standard, and overdrive and fully automatic transmissions are further options.

Bodies are unitized on a 100-in. wheelbase, and over-all length is only 173 in., making the American this country's most compact production passenger car.

Summary: Engine—6 cyl. 196 cu. in., 90 hp. standard in deluxe and custom models; 125 hp. OHV version of this engine standard in "400" series, optional in others. **Gasoline**—regular for all models. **Basic dimensions**—wheelbase 100 in., over-all length 173 in., headroom 35 in., trunk capacity 23.8 cu. ft. **Tires**—two-ply 6.00 x 15 standard, 6.50 x 15 optional. **Special maintenance features**—2,000-mile chassis lube, 4,000-mile oil change; battery guaranteed for 24 months or 24,000 miles; lifetime exhaust system guarantee for original owner; 24-month coolant, self-adjusting brakes. **Useful fleet accessories**—"E-Stick" transmission or overdrive, reclining seats, combination heater and air conditioner. **Price:** to be announced but estimated at \$1,850.*

Rambler Classic

The mainstay of American Motors' production has received some minor styling changes, but the important news is addition of a two-door sedan model.

A die-cast aluminum engine is standard on the most costly series, optional on others. Main advantage of this is less weight to lug around and, thus, better economy. Also, a new, optional automatic transmission (made by Borg-Warner)



is claimed to have less hydraulic spin loss to further improve fuel economy.

Forward visibility has been increased 10% because of a 2-in. higher windshield. A complaint of poor rear seat accessibility has been partially eliminated by a higher, thinner roof line.

Another Rambler feature, shared only by Cadillac, is separate hydraulic cylinders for front and rear brakes. If one system should fail, the other is still intact for emergency use. The brakes on all models are self-adjusting.

Summary: Engine—cast iron 196 cu. in., 127 hp. six, standard or deluxe and custom models, aluminum version of same standard on "400," optional on others. **Gasoline**—regular for all models. **Basic dimensions**—wheelbase 108 in., over-all length 190 in., headroom 36 in., trunk capacity 27.8 cu. ft. **Tires**—two-ply 6.50 x 15 standard; four-ply 6.70 x 15 optional. **Special maintenance features**—33,000-mile chassis lube, 4,000-mile oil change, lifetime muffler; 24-month, 24,000-mile battery; self-adjusting brakes, 24-month coolant. **Useful fleet accessories**—side-hinged tailgate on station wagons, pushbutton automatic transmission, combined heater and air-conditioner. **Price:** to be announced; estimated at \$2,050.*

Buick Special

Buick, perhaps for the first time in its history, is seriously after fleet business. A specialized selling organization was set up last February. Now, with its new V-6 engine that should run approximately \$100 under the cost of the former aluminum V-8, the organization has a competitively priced product.

This engine draws upon the five-year development experience of GMC Truck and Coach Div. with a similar design. It also interchanges many reciprocating

(Continued on page 33)

Here's your weekly guide to . . .

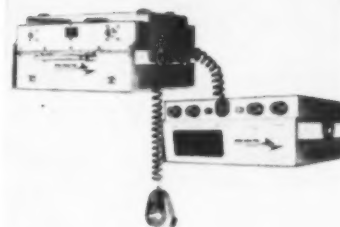
Two-Way Radio Set

Has 100-W. Amplifier

Two-way mobile radio set combines a compact, under-the-dash transmitter-receiver with a 100-w. amplifier unit for mounting in the car trunk or other spot. One small cable is all that's needed to connect the two. Both units are transistor-powered, and battery drain is very low.

Price: \$595. **Delivery:** immediate (after Oct. 15).

Aeronautical Electronics, Inc., P. O. Box 6527, Raleigh, N. C. (PW, 10/2/61) SIC #3662



Three-Wheel Vehicle

Carries 800-Lb. Payload

Three-wheel vehicle for towing and light hauling comes with pickup-type rear box or as a chassis model, each with an 800-lb. payload capacity. Top speed for in-plant operation is 14 mph. The aluminum engine can be 9 hp. or 18 hp. with electric starter or an optional manual starter for the smaller unit.

Price: \$827 to \$1,032. **Delivery:** immediate.

Cushman Motors, Lincoln, Neb. (PW, 10/2/61) SIC #3711



Epoxy Adhesive

Cures at Room Temperature

Two-part epoxy is a soft gel that adheres without sagging when applied in up to a 10-mil thickness on vertical surfaces. A one-to-one volume mix gives high shear and flexural strength, and a two-to-one mix resists heat distortion at up to 217 F. The adhesive cures at room temperature.

Price: \$1,210 (one 55-gal. drum each of the two parts). **Delivery:** immediate.

Smooth-On Mfg. Co., 570 Communipaw Ave., Jersey City 4, N. J. (PW, 10/2/61) SIC #2821



Air Spray

Cleans Office Machines

Air sprayer with built-in silencer plugs into any convenience outlet for on-the-spot cleaning of business machines or similar equipment and appliances. The motor feeds air through a 7-ft. flexible, rubber air hose with a thin nozzle that pinpoints the air jet. Unit size is 8 in. x 7 in. x 5 in.

Price: \$32.95. **Delivery:** 3 days.

Thomas Industries, Inc., Sprayit Div., 207 E. Broadway, Louisville 2, Ky. (PW, 10/2/61) SIC #3561



Low Noise Amplifier

Ups Scope Sensitivity 1,000 Times

A.c. preamplifier designed to give best possible signal-to-noise ratios to oscilloscopes and recorders has a noise level of less than 0.8 mv. TMS between 10 cps. and 10 kc. Unit lowers microvolt measurement threshold over a bandwidth of 0.1 cps. to 100 kc. and has 11 high and low frequency cutoffs between 0.1 cps. and 100 kc.

Price: \$245. **Delivery:** 45 days.

Keithley Instruments, 12415 Euclid Ave., Cleveland 6, Ohio. (PW, 10/2/61) SIC #3611



New Products

Price data that accompany each product description are list or approximated prices supplied by manufacturers. Unless otherwise noted, prices quoted are for the smallest quantity that can be ordered.



Fiberglass Cloth Tape

Resists Heat

Fiberglass cloth tape can be used for maintenance, splicing, sealing, and insulating where components are exposed to high heat. The tape is supplied in a 1/2 in.-width on 66-ft. rolls, is 7 mils thick, and has a tensile strength of over 100 lb./in. width. The adhesive is rubber-based, pressure-sensitive, and thermosetting.

Price: \$1.75. **Delivery:** immediate.
Permacel, New Brunswick, N. J. (PW, 10/2/61) **SIC #2295**

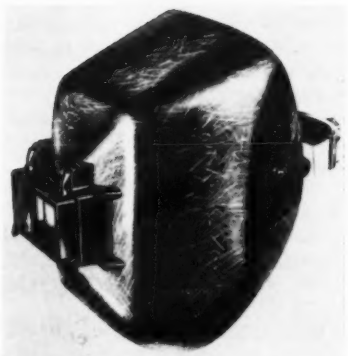


Production Chair

Adjusts 7 1/2 in. Upward

Production seating line of chairs comes in three styles which together offer seven basic seating heights of 16 in. to 27 in. Each of these is adjustable to an additional 7 1/2 in. upward. The swivel chairs allow on-the-spot change from swivel to nonswivel seat and a posture backrest with spring wire support also adjusts to give proper support.

Price: \$24 to \$30. **Delivery:** 3 wk.
Toledo Metal Furniture Co., 1250 Hastings Ave., Toledo, Ohio. (PW, 10/2/61) **SIC #2521**



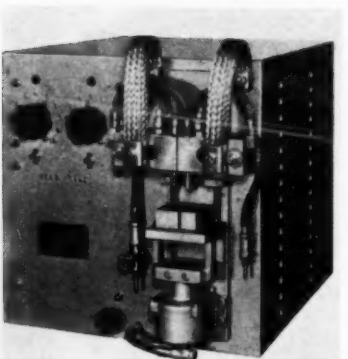
Welding Helmet

Offers Plate-Holder Choice

Fiberglass welding helmet line includes narrow front shell which flanges at top, bottom, and sides, and a straight bib type. Both are available with a stationary or lift front plate holder and a positioning stop that permits the helmet to be preset to any one of four working positions.

Price: \$9.80 (fixed plate holder) and \$12.10. **Delivery:** 10 days.

American Optical Co., Southbridge, Mass. (PW, 10/2/61) **SIC #3842**



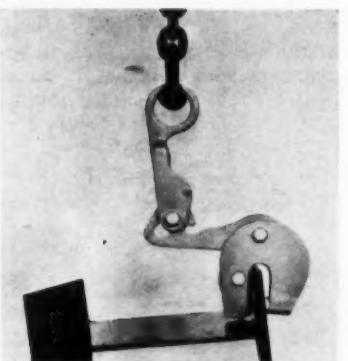
Power Pack

Has High Spot-Welding Output

Power pack for multiple spot welding with high production output of small weldments has two, three, or four transformers and timers which operate the transformers in single sequence or pairs. Power requirement is 220 v. to 250 v., and maximum output per transformer is 10 kva.

Price: \$990 to \$1,580. **Delivery:** 4 to 6 wk.

Ampower Products, 10207 S. Ridgeland Ave., Chicago Ridge, Ill. (PW, 10/2/61) **SIC #3623**



"I" Beam Clamp

Holds Load Level

Clamp lifts, handles, and positions I-beams and other structural shapes, holding the loads in a level position. Maximum jaw openings range from 3/4 in. to 1 1/2 in. for maximum lifting capacities of 1/2 ton to 3 ton. One model's design permits automatic disengagement of clamp after the load has been positioned.

Price: \$70 to \$95. **Delivery:** 2 wk.
J. C. Renfro & Sons, Inc., P. O. Box 4279, Jacksonville 1, Fla. (PW, 10/2/61) **SIC #3429**

Automotive Perspective

(Continued from page 32)



parts with the aluminum V-8 that Buick still uses for certain models in the Special series and sells assembled to Oldsmobile and Pontiac.

The 135-hp. powerplant is claimed to be from 140 to 180 lb. lighter than current in-line sixes for comparable output.

Summary: **Engine**—V-6 cyl. 196 cu. in., 135 hp. standard, aluminum V-8's ranging up to 185 hp. optional. **Gasoline**—regular in all but the most powerful V-8. **Basic dimensions**—wheelbase 112 in., over-all length 188.4 in., headroom 34 in. **Tires**—two-ply 6.50 x 13; 15-in. wheels optional for off-road service. **Special maintenance features**—1,000-mile chassis lube; 4,000-mile oil change. **Useful fleet accessories**—automatic transmission, 15-in. wheels. **Price**—\$2,101.*

Dodge Lancer

Although there is a strong family resemblance this year, the Lancer and the larger Dodge Dart utilize different body shells. Also the Lancer is one of the roomiest of the so-called compact cars.

Most interesting feature is the optional 225-in. aluminum engine. Several



thousand of these die-cast blocks were tested, mostly by fleets, in 1961 before the decision was made to go into volume production. Dimensionally, the engine is identical to the cast-iron six used in the Dart, but weighs 85 lb. less.

Another feature, shared only by Lancer and Valiant in the compact field, is torsion bar front suspension. New this year is a two-door hardtop model.

Summary: **Engine**—6 cyl. 170 cu. in., 101 hp. standard; aluminum 6 cyl., 225 cu. in., 145 hp. optional. **Gasoline**—regular. **Basic dimensions**—wheelbase 106.5 in.; over-all length 184.2 in.; headroom 38 in.; trunk capacity 24.9 cu. ft. **Tires**—two-ply 6.50 x 13. **Special maintenance features**—32,000-mile chassis lube, 4,000-mile oil change. **Useful fleet accessories**—push-button automatic transmission, forced-air ventilator (with heater), "sure-grip" differential. **Price:** \$1,778.*

Plymouth Valiant

As with all Chrysler products, Valiant bodies go through a 13-stage dip and spray process for corrosion protection. This year galvanized steel is used for

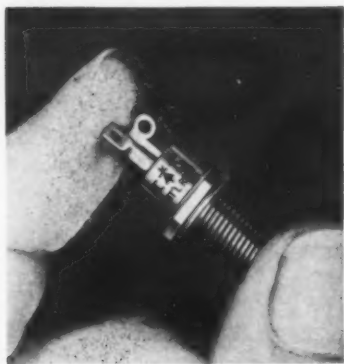


further protection of body sill members, and muffler parts are aluminized.

Valiant also offers the more powerful aluminum engine discussed above as an option. According to company engineers, a car so equipped can accelerate from zero to 60 mph in 30% less time than required by the standard engine.

(Continued on page 38)

Your Guide to New Products



Rectifier

For Low-Power Applications

Silicon controlled rectifier capable of switching 3 amp. of current over a PRV range from 25 v. to 400 v. is designed for low-power switching and control applications. Units 3RC2 to 3RC40 enable rapid firing with a minimum of current for computers, servo inverters, and controls.

Price: \$6.25 to \$53.25. **Delivery:** immediate.

International Rectifier Corp., 233 Kansas St., El Segundo, Calif. (PW, 10/2/61)
SIC #3629



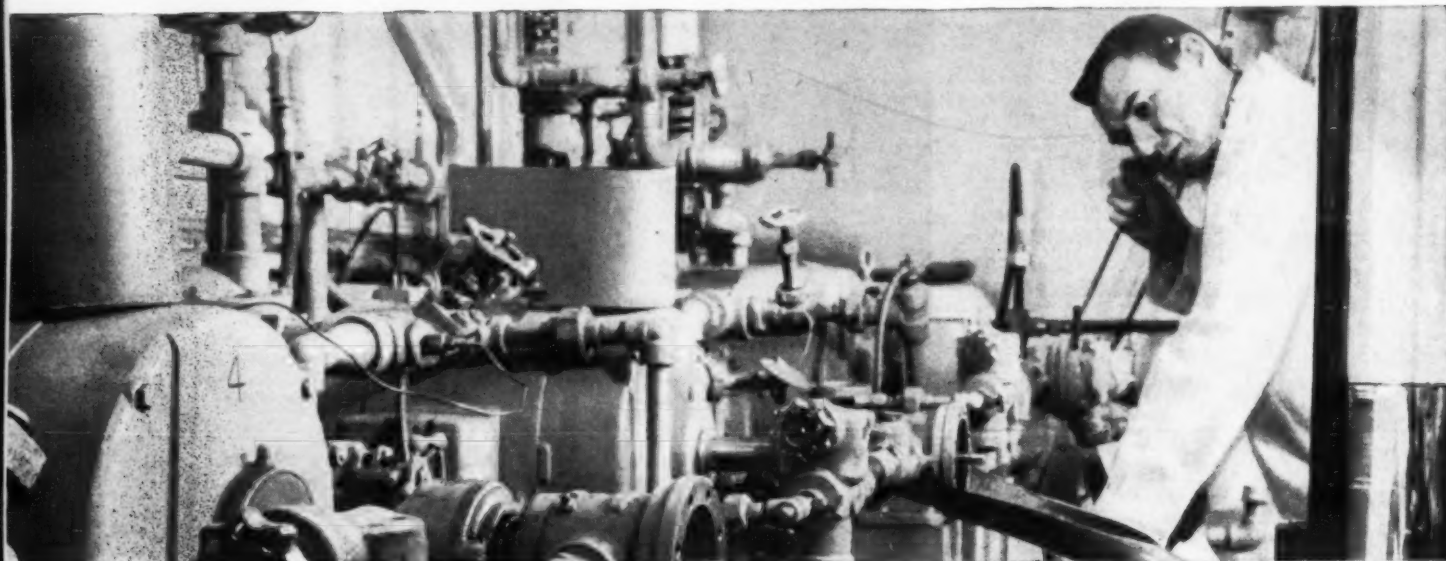
Elapsed Time Meter

Records to Six Digits

Elapsed time meter comes in 2½-in. and 3¼-in. models for panel mounting and in 2½-in. models for counter-type case or portable applications. Meter has six digital counters to measure 99999.9 min. or sec. A reset device can be furnished on all but sealed models which also are available.

Price: \$22 to \$30 (non-reset) and \$30 to \$38 (reset). **Delivery:** immediate.

General Electric Co., Schenectady, N. Y. (PW, 10/2/61)
SIC #3579



Listening for pump chatter. Here—in Shell's Martinez, California, laboratory Shell Tellus hydraulic oils are subjected to the most demanding tests.

BULLETIN:

Shell presents a question-answer guide to help you select the hydraulic oils for top performance

Selecting the proper hydraulic fluid for your equipment can be one of your most important decisions. And it can pay off in many ways. Less down-time. Longer equipment life. Lower cost per unit.

Here are six bench marks to help you pick the best hydraulic oil for your plant requirements.

1. Does it have good oxidation stability? Oxidized hydraulic oil can form gums, lacquers and other deposits which may foul moving parts. Shell Tellus Oils are carefully refined to remove unstable, sludge-forming components—then fortified with a Shell-developed oxidation inhibitor.

2. Will it resist foaming and emulsification? Pump chatter and erratic operation are often the result of pump cavitation, brought on by oil foaming. Tellus® Oils contain additives to help prevent foaming.

3. Does it fight rust and corrosion? It is difficult to exclude all moisture from a hydraulic system. And moisture can form troublesome rust. Shell

Tellus Oils have been carefully compounded to resist corrosion.

4. What are its lubrication qualities in continuous service? Shell Tellus Oils form a clinging, oily film on mating metal surfaces. This maintains a constant guard against wear.

5. How does it react to temperature changes? This is a key factor in the performance of hydraulic equipment. Careful selection of the proper viscosity grade of Tellus assures satisfactory operation of your system over its entire temperature range.

6. Is it available in several viscosity grades? Shell Tellus Oils are available in a broad range of viscosity grades. There's a special grade for virtually

every hydraulic requirement.

Ask your Shell Industrial Products Representative for facts on Tellus Oils. Or write: Shell Oil Company, 50 West 50th St., New York 20, N. Y.

A message to manufacturers of hydraulic equipment

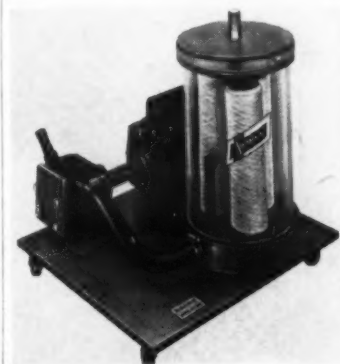
There is a Shell Tellus Oil suited for your equipment.

1. Your customers can get Tellus Oils at Shell depots everywhere. Readily available throughout the world.

2. Quality is consistently high. Tellus always delivers top performance.



A BULLETIN FROM SHELL
—where 1,997 scientists are working to provide better products for industry



Filter System

Handles Corrosive Liquids

Self-priming system filters corrosive, expensive, and sensitive liquids without loss of solution and without metal contamination. Capacities of seven models range from 50 gph. to 400 gph. Maximum operating temperature with the standard Lucite chamber is 140F, but other plastics are available for higher temperatures. Filter tubes remove particles down to 1 micron.

Price: \$315 to \$650. **Delivery:** 2 wk.

Sethco Mfg. Corp., 2284 Babylon Tpk., Merrick, N. Y. (PW, 10/2/61)
SIC #3564



Welder

Does Light Work

Welder for light production and maintenance work accommodates a wide range of electrodes, including all low hydrogen and iron powder types. The unit, rated at 235 amp., improves welding characteristics of large-diameter rods. As an optional feature the welder can double as a battery charger for 6- and 12-v. batteries. The basic package includes a thermostatic overload, an electrode holder, headshield, and welding cables.

Price: approx. \$242. **Delivery:** immediate.

A. O. Smith Corp., 3533 N. 27th St., Milwaukee, Wis. (PW, 10/2/61)
SIC #3623



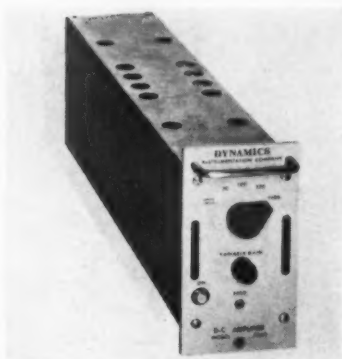
Safety Glass Frames

Fit Wide Size Range

Plastic frames have thick nose bridge available in two sizes to fit 90% of all workers. Frames can be had in flesh, green, or mahogany with super-safety lenses in clear or antiglare glass or plastic. Interchangeable temples available include vinyl-coated cable or spatula ends.

Price: \$3.20 and \$3.80 (antiglare lenses).
Delivery: 2 to 3 wk.

Chicago Eye Shield Co., 2727 W. Roscoe, Chicago, Ill. (PW, 10/2/61) SIC #3842



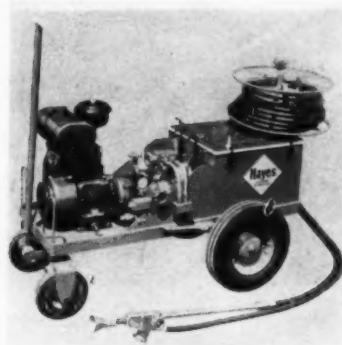
D.C. Amplifier

Has All-Transistor Circuit

Differential, d.c. amplifier with high common-mode rejection has chopper-stabilized, all-transistor circuit with potentiometric feedback to minimize noise and realize maximum input impedance. Input and output circuits are completely floating and isolated from each other and from the power line. Voltage gain range, from 10 to 1,000, is continuously variable between steps.

Price: \$885. **Delivery:** 30 to 45 days.

Dynamics Instrumentation Co., 583 Monterey Pass Rd., Monterey Park, Calif. (PW, 10/2/61) SIC #3611



Power Sprayer

Uses 7-Hp. Engine

Power sprayer has wide application for any type of detergent, cleaning compound, or other chemical—liquid or soluble. It draws water as needed from a faucet, tank, or other external source and mixes it with chemicals taken from a 12-gal. concentrate tank. The unit delivers 10 gpm. of mixed spray at 500 psi., 6 gpm. at 200 psi., and adjusts from a fine, fog spray to a full force stream of up to 65 ft. high. A 7-hp. engine powers the sprayer.

Price: \$1,795. **Delivery:** immediate.

Hayes Spray Gun Co., 98 W. San Gabriel Blvd., Pasadena, Calif. (PW, 10/2/61)

SIC #3561

Purchasing Week Definition

Motorized Hand Trucks

Counterbalanced—This type comes in capacities to 3,000 lb. for high stacking of loads. It carries the load on forks that travel up and down on a telescoping mast which can be tilted forward and back. It is used where hauls are short or where its light weight is an advantage, as on elevators.

Outrigger—The standard outrigger, designed for operation in extremely narrow aisles, carries loads up to 4,000 lb. Forks carry the load between dual outrigger wheels that give safe stability during stacking.

Pallet—This truck handles loads on stringers and single-faced and double-faced pallets. It supplements stacking equipment and handles tasks where no stacking is required.

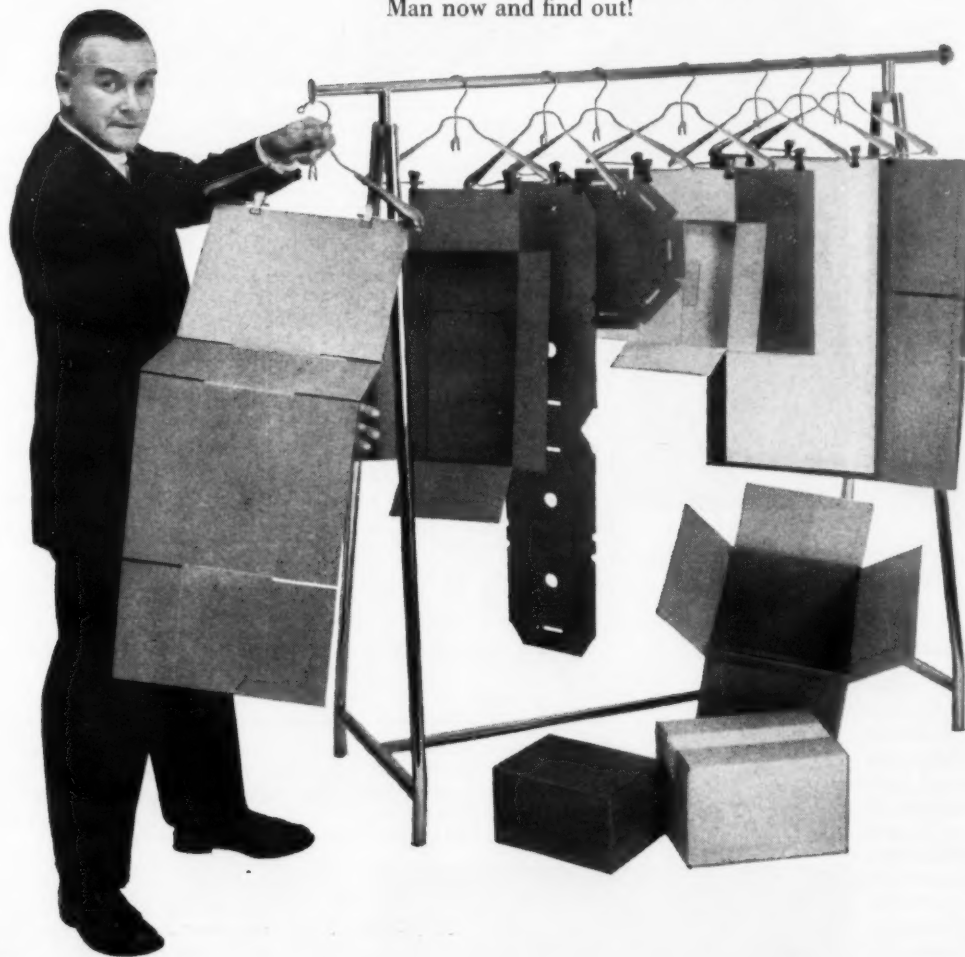
Platform—Handles loads on skids and comes in both high-lift and low-lift design with each available in 4,000-lb. and 6,000-lb. capacities. Low-lift types are used for skid positioning and operation in confined areas. High-lift models are used to tier skids and skid bins and in tool rooms for die changing and storage. (PW, 10/2/61)

your GAYLORD man is a corrugated connoisseur

He has the knowledge and experience to give you sound advice about the type of corrugated or solid fibre board that best suits your packaging situation.

He probably can suggest several ready-made answers to the container question foremost in your mind right now. After you make your choice, Gaylord tailors your box from a practically unlimited range of board.

Stop wondering if your packaging is practical. Call your nearby Gaylord Man now and find out!

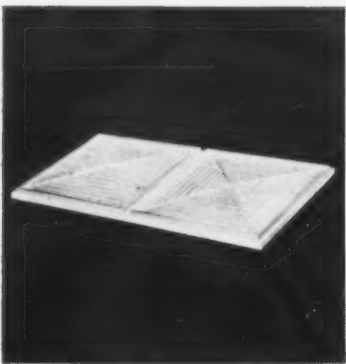


CROWN ZELLERBACH CORPORATION
GAYLORD CONTAINER DIVISION



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CANADA, LTD. VANCOUVER, B. C.
HEADQUARTERS, ST. LOUIS
PLANTS COAST TO COAST

Your Guide to New Products

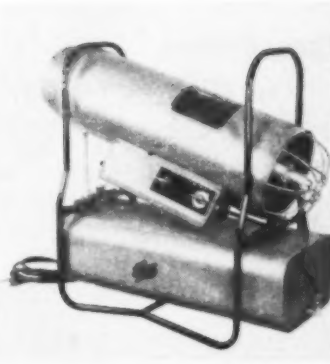


Lighting Fixture

Houses Four Fluorescents

Modular lighting fixture with two plastic lenses measures 4 ft. x 2 ft. and houses four fluorescent lamps. Prisms in the lenses direct most of the light downward to prevent glare and increase lighting efficiency. The fixture is 1 3/8 in. deep at the edges and the pyramid-shaped lenses taper downward to apexes 3 3/8 in. below ceiling level.

Price: \$69.40. **Delivery:** 2 to 3 wk.
Holophane Co., Inc., 342 Madison Ave.,
 New York, N. Y. (PW, 10/2/61)
 SIC #3642



Space Heater

Produces 125,000 Btu./Hr.

Space heater is portable oil-fired unit with output of 70,000 Btu. to 125,000 Btu./hr. Low-pressure firing provides fuel consumption of .9 gal./hr., permitting continuous operation at low fire for 13 hr. The unit weighs 42 lb., measures 30 3/4 in. x 13 in. x 26 1/2 in., and operates on standard voltage.

Price: \$215. **Delivery:** immediate.
Thor Power Tool Co., Aurora, Ill. (PW,
 10/2/61) SIC #3433



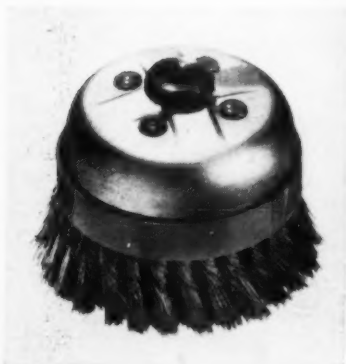
Binder Label

Grips Curved Surfaces

Pressure-sensitive label for binders, ledgers, briefcases, and similar items adheres to curved as well as flat surfaces of leather, fabric, cardboard, plastic, and others. Made of a fabric material, the labels are available in two sizes: 1 1/8 in. x 2 in. with rounded corners (81 per box) and 5 3/4 in. x 1 1/4 in. (20 per box). The label can be typed on and written on with pen, pencil, or crayon.

Price: 85¢/box. **Delivery:** immediate.

Avery Label Co., 1616 S. California Ave., Monrovia, Calif. (PW, 10/2/61) SIC #2641



Cup Brush

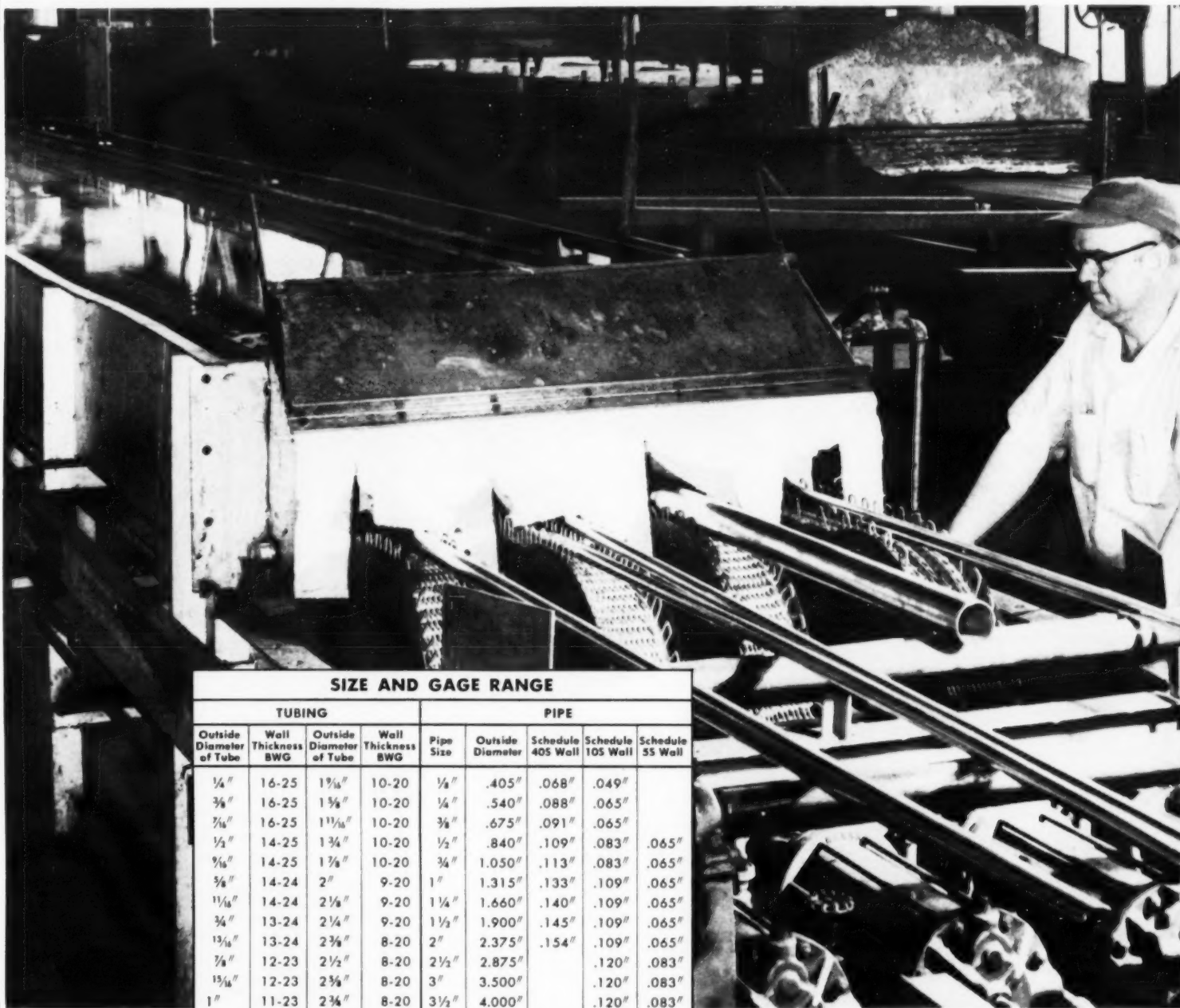
Cleans Metal Surfaces

Cup brush for use on high-speed pneumatic and portable electric tools rapidly removes scale, rust, corrosion, and old paint, and prepares metal surfaces for painting or finishing. It comes in various wire gages and is available with removable bridles that prevent excessive flare at high speeds. Threaded and plain arbor holes also are available, and all brush parts are riveted together as a unit, eliminating the possibility of slippage.

Price: \$6.50 to \$15. **Delivery:** immediate.

Pittsburgh Plate Glass Co., 632 Duquesne Blvd., Pittsburgh 22, Pa. (PW, 10/2/61)

SIC #3981



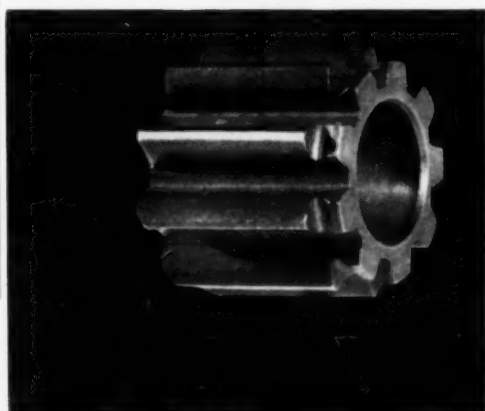
SIZE AND GAGE RANGE

TUBING				PIPE			
Outside Diameter of Tube	Wall Thickness BWG	Outside Diameter of Tube	Wall Thickness BWG	Pipe Size	Outside Diameter	Schedule 40S Wall	Schedule 10S Wall
1/4"	16-25	1 1/8"	10-20	1/4"	.405"	.068"	.049"
3/8"	16-25	1 3/8"	10-20	3/8"	.540"	.088"	.065"
1/2"	16-25	1 1/2"	10-20	1/2"	.675"	.091"	.065"
3/4"	14-25	1 3/4"	10-20	3/4"	.840"	.109"	.083"
1"	14-25	1 7/8"	10-20	1"	1.050"	.113"	.083"
1 1/8"	14-24	2"	9-20	1 1/8"	1.315"	.133"	.109"
1 1/4"	14-24	2 1/8"	9-20	1 1/4"	1.660"	.140"	.109"
1 3/8"	13-24	2 3/8"	9-20	1 3/8"	1.900"	.145"	.109"
1 1/2"	13-24	2 1/2"	8-20	2"	2.375"	.154"	.109"
1 3/4"	12-23	2 3/4"	8-20	2 1/2"	2.875"		.120"
1 7/8"	12-23	2 7/8"	8-20	3"	3.500"		.120"
2"	11-23	3"	8-20	3 1/2"	4.000"		.120"
2 1/8"	11-22	3 1/8"	8-20	4"	4.500"		.120"
2 1/4"	11-22	3 1/4"	8-16				
2 1/2"	11-22	3 1/2"	8-16				
2 3/4"	11-20	3 3/4"	8-16				
3"	11-20	4"	8-16				
3 1/4"	11-20	4 1/4"	8-16				
3 1/2"	10-20	5"	8-16				

NOTE:

These are common sizes. Intermediate sizes can be made. Inquiries for larger diameters and heavier walls should be referred to your Steel and Tubes Division representative.

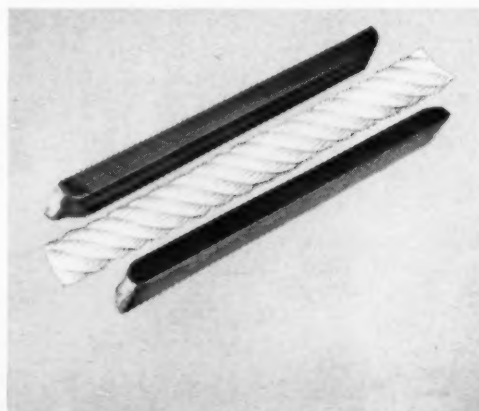
ELECTRUMITE Stainless Steel Tubing and Pipe are available in A.I.S.I. chrome-nickel analyses. Size range from 3/4" O.D. through 5" O.D. Pipe sizes are available from 1/4" I.P.S. through 4" I.P.S. in ASA schedule 40S; from 1/4" I.P.S. through 4" I.P.S. in schedule 10S; and from 1/2" I.P.S. through 4" I.P.S. in schedule 5S wall thicknesses. Write for additional information.



AUTOMOBILE STARTER pinion gear is made from Republic Cold Drawn Alloy Steel. With this material, manufacturers obtain great strength and dependability plus good machinability, all at reasonable cost. Write for full information.

Republic's controlled atmosphere bright annealing furnace provides a smooth surface finish, eliminating the normal surface roughness of conventional open annealing and pickling.

"GRIPS" SUCH AS THESE connect San Francisco's unique cable cars to their propelling cables. Supplied by Republic in 15-foot bars, these cold drawn special sections are produced to exacting contours—ready for use as received, needing only to be cut to desired length. Send coupon for more information on Republic Cold Finished Steel for special requirements.



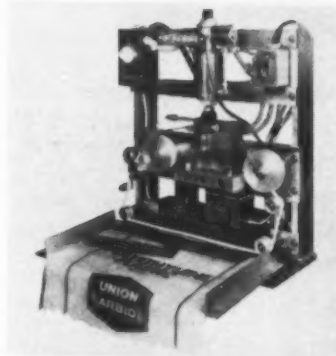


Stationery Embosser

Takes Three-Line Text

Desk-model stationery embosser accommodates three-line text and embosses the top or bottom of paper and envelope flaps with little pressure. The unit is all-metal, has all-metal dies, and embosses a monogram or design as well as a text within a 1 3/4- x 3/4-in. space. It has a reversible die, adjustable paper guide, and rubber feet.

Price: \$9.75. **Delivery:** 1 to 2 days.
Samuel H. Moss, Inc., 36 E. 23rd St., New York 10, N. Y. (PW, 10/2/61)
SIC #2751



Polyethylene Printer

Makes Indelible Imprints

Hot transfer leaf printer applies clear, indelible imprints on polyethylene bags. The solenoid-controlled, air-operated unit uses heated metal type and a hot printing head to transfer thermoplastic imprints from rolls of tape to the bags. Adjustable heat and dwell controls prevent sealing of the bag.

Price: \$2,150. **Delivery:** 6 to 8 wk.
Industrial Marking Equipment Co., Inc., 655 Berriman St., Brooklyn 8, N. Y. (PW, 10/2/61)
SIC #2752

ELECTRUNITE

Bright Annealed Stainless Steel Tubing

...in tune with today!

Supplying industry's need for quality stainless steel tubing and pipe has become a job for specialists. A job for Republic's Steel and Tubes Division—producers of ELECTRUNITE.

Republic's controlled atmosphere bright annealing furnaces both at the steel mill and at the tube processing plant provide a smooth, uniform surface finish and do away with the need for severe pickling and consequent roughening of the surface.

ELECTRUNITE Stainless Steel Tubing and Pipe are available for quick delivery in a complete range of sizes, gages, and wall thicknesses.

For pressure tube applications, Republic offers exclusive FARROWTEST, the ultimate in nondestructive testing, as a final test.

Call your Republic representative for complete information and delivery and price quotations.



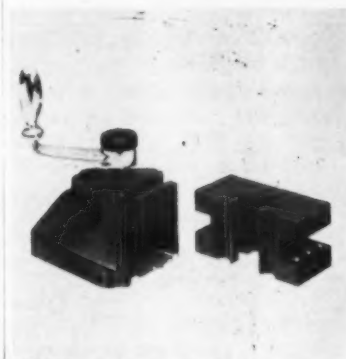
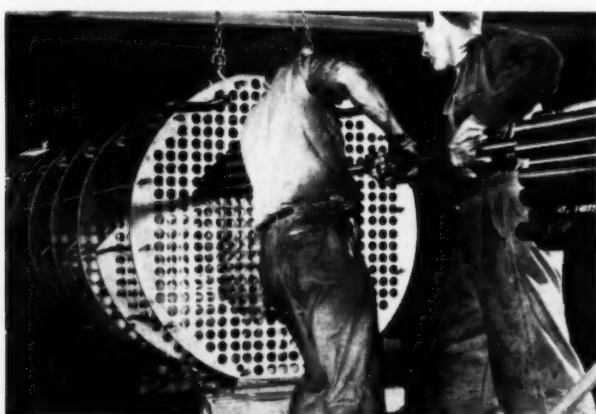
REPUBLIC STEEL

REPUBLIC HAS THE FEEL FOR MODERN STEEL



Strong, Modern, Dependable

MORE THAN A MILE OF ELECTRUNITE Heat Exchanger Tubing goes into this heat exchanger. There is no room for failure in a system of this sort, so every inch is available, at the option of the customer, pre-proved by FARROWTEST. This eddy-current test probes for and detects defects so minute that they pass other, less positive tests.



Tool Holder

Ups Production Output

Tool holder supplied with five adapters increases production output by assuring repeatability of tool placement on engine and vertical lathes, and boring mills. Tools are set up on adapters and locked to the master base as needed. Three models are available for use on 9-in. to 20-in. lathes, and, as an option, an air-operated locking attachment is available to lock and unlock the holder.

Price: \$216.50, \$260.10 and \$315.80. **Delivery:** immediate to 60 days.

Manco Tool Co., Burbank, Calif. (PW, 10/2/61)
SIC #3545



Welding Kit

Has Cutting Attachment

Oxy-acetylene welding and cutting outfit includes a medium-range welding torch with three welding heads for welding up to 3/8 in. The cutting attachment has a nozzle for cutting up to 4 in. Other components include single-stage oxygen and acetylene regulators, 12 1/2 ft. of oxygen and acetylene hose, friction lighter, and goggles. Complete operating instructions are included.

Price: \$130. **Delivery:** immediate.

Linde Co., 270 Park Ave., New York 17, N. Y. (PW, 10/2/61)
SIC #3548

REPUBLIC STEEL CORPORATION

DEPT. PG-2753

1441 REPUBLIC BUILDING • CLEVELAND 1, OHIO

Please send more information on the following:

- | | |
|--|--|
| <input type="checkbox"/> Republic ELECTRUNITE® Stainless Steel Tubing | <input type="checkbox"/> Republic Cold Finished Alloy Bars |
| <input type="checkbox"/> Republic FARROWTESTED® ELECTRUNITE Heat Exchanger Tubes | <input type="checkbox"/> Republic Cold Finished Carbon Steel |

Name _____ Title _____

Company _____

Address _____

City _____ Zone _____ State _____

Automotive Perspective

(Continued from page 33)

And there is hardly any economy penalty because cars with this engine can use a lower rear axle ratio.

As in larger Chrysler products, Valiants are equipped with cable linkage from the accelerator to the carburetor. This feature practically eliminates transfer of engine and road motion to the driver's foot. Another Chrysler exclusive is the alternator which produces current even at idle.

Valiants are available in two series. Basic business car is the V-100 four-door sedan, since the two-door model is a sports hardtop.

Summary: all specs and information same as Lancer. Price—\$1,759.*

Oldsmobile F-85

This so-called "king-size" compact has attracted increasing fleet interest since its introduction last fall, especially after a two-door coupe was added to the line.

The aluminum V-8 engine used last year is continued in its basic form with very few changes. The company also has found it expedient, sales-wise, to add two further power options to the already peppy powerplant. One is a simple increase in compression ratio and carburetor size that adds 30 hp. but requires a switch to premium gasoline. The other is not only interesting mechanically, but makes this car ideally suited to police work. This is an exhaust-driven Garrett supercharger combined with an alcohol-water injection mechanism. Injection of



the water is necessary because the octane demands of the supercharger at top speed exceed even the best of today's premium gasolines.

Summary: Engine—215 cu. in., 155-hp. aluminum V-8 with power options up to 215 hp. Gasoline—regular for standard V-8, premium for others. Basic dimensions—wheelbase 112 in., over-all length 188.2 in., headroom 38.4 in.; trunk capacity 12.1 cu. ft. Tires—6.50 x 13 standard, 7.00 x 13 and 6.00 x 15 optional. Useful accessories—four-speed hydromatic transmission, power steering, and air conditioning. Price: \$2,193.*

*Estimated prices are projected for cheapest models in line and exclude transportation, handling charges, taxes, and optional equipment.

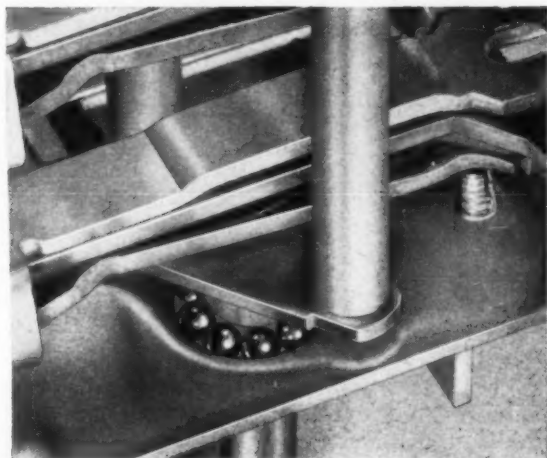
—Don MacDonald, McGraw-Hill Detroit Bureau

(Next week's fleet: Ford Fairlane, Galaxy, Corvair, Pontiac, Mercury Monterey.)



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Salesmen See P.A.'s in Driver's Seat During '62

(Continued from page 1)

am convinced buyers won't hesitate to shift their sources of supply if they can obtain better quality, packaging, or service by doing so," he said.

But while it will still be a buyer's market next year, the P.A. can't expect to have deals handed to him on a silver platter—particularly if he buys in small quantities or if his is a low-profit account for the supplier.

"We intend to be more selective about whom we sell to next year," explained Charles Holzwarth, executive staff coordinator, National Lock Co., Rockford, Ill. "With profits the way they are, we're going to have to start gearing our sales effort to provide more or less service depending on who the customer is, how much he buys, and the profit we make on sales to him," he declared.

Four Major Trends

From talks with marketing executives it appeared that the P.A. will see four major trends emerge as salesmen hustle for business next year:

• **Increase in sales calls.** Salesmen for competing firms will step up their efforts to take away business from established suppliers.

• **Better presentations.** Many firms feel their salesmen take too long coming to the point, wasting their time and that of the P.A. In 1962, salesmen will be doing more homework and will be ready to talk business from the word go.

• **More personalized selling.** A number of NICB delegates suggested that there has been too much preoccupation with the theory and methodology of selling. The days of the old-time "drummer" may never return, but look for more aggressive, personal selling.

• **More multiproduct salesmen.** The trend toward selling markets rather than products is expected to accelerate. Instead of having different salesmen for the same company trip over each other in the P.A.'s office, more salesmen will be given the job of selling all their company's products.

Reason for the increase in sales calls is the drive by many firms to expand into new markets by introducing new products or making refinements or improvements on old ones.

The Alan Wood Steel Co., Conshohocken, Pa., for example, has just opened a new mill which can produce plate 96-in. wide, compared with the company's previous maximum of 72-in. "As a result of this added capability, our salesmen will be paying calls on some companies which previously we wouldn't have been able to supply," said William T. Haddon, general manager of steel sales.

On the subject of sales presentations, Matthew S. McCauley, director of marketing research for Monsanto Chemical Co.'s Organic Chemicals Div., said, "While our salesmen probably won't try to increase the frequency of their contacts with P.A.'s, they will make more in-

tensive preparations for their calls. When one of our salesmen walks into a buyer's office, we want him to be ready with all the answers—to be loaded for bear, so to speak," said McCauley.

Discussing the need for more personalized selling, Stuart D. Cowan, vice president for commercial marketing and international services, Raytheon Co., Waltham, Mass., pointed out that, "Organization, procedures, and charts are essential, but only dedicated, hard-working people can bring them to life to create sales and profits."

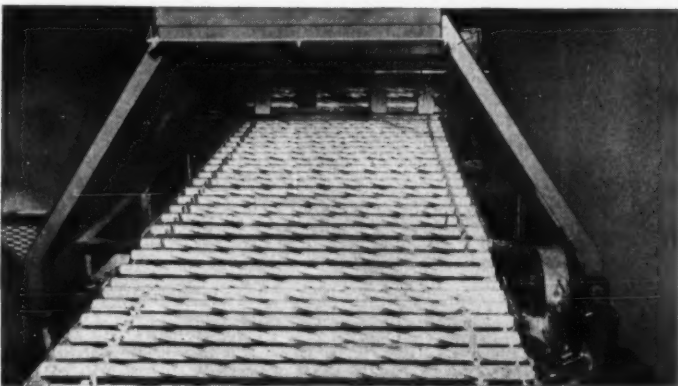
Another sales manager, agreeing with Cowan, defined an efficiency expert as "someone who helps you go the wrong way with courage," and a coordinator as a "guy with a desk between two other people." Despite the current emphasis on marketing methodology, he maintained there is no substitute for the salesman who knows how to get along with other people.

The trend toward more multiproduct salesmen is a result of an increasing awareness among manufacturers that marketing organizations should serve the customer rather than the convenience of the company making the products, said Clarence F. Manning, vice president, Reynolds Metals Co.

"Under the new approach, the salesman is responsible for an entire sphere of an over-all market and for selling, or at least discovering, all the customers' needs for all types of products the salesman's company makes," he said.

The broadening of the salesman's responsibilities eliminates the annoyance to the buyer caused by having a number of salesmen from a single company call on him, Manning said. At the same time, it eliminates the danger that a single-product salesman might overlook the customer's potential uses for other products made by his company, Manning said.

Duro-Test Claims New Fluorescent Brightest for Home, Commercial Use



NEW TWIST: Spiral configuration of Duro-Test Corp.'s fluorescent light bulb lengthens and intensifies the arc stream for added brightness.

North Bergen, N. J.—The Duro-Test Corp. has developed a fluorescent light bulb which it claims to be the brightest available for commercial and household use.

The bulb, called "Power-Twist," has a spiral configuration which, according to Duro-Test, produces the longest and most powerful arc possible. Initial cost is higher than conventional units, but over-all cost bal-

anced out during the bulb's life is said to be cheaper. Duro-Test is supplying the Power Twist with a two-year guarantee which, in effect, constitutes a 20,000-hr. rating.

The bulb is presently available in from 40-w. to 215-w. units for all types of fixtures. Lengths are 48 in., 72 in., and 96 in. When viewed in uncovered fixtures, it creates a visual effect similar to glare-reducing louvers.

Purchasing Week's

Purchasing Perspective

(Continued from page 1)

complained recently that consumers are not yet carrying their full share of the load in the current business recovery. Some of the experts complained last week that consumer spending, while admittedly going at a good rate, still has not measured up to the recovery push provided by business and governmental buying.

Now the researchers conclude that consumers can be expected to make sizable contributions to the upswing in coming months. They base this on opinion samplings that indicate a growing number of consumers regard the business outlook for the next 12 months as "good" and that in the last three months autos, household goods, and homes have gained considerable ground as attractive buys.

In cars, for instance, intentions to buy during the next 12 months were up 10% over August 1960 but still were below those of mid-1959. On the other hand, favorable attitudes toward buying cars and household goods are hovering at or above 1955-56 peaks—with housing also scoring high on the scale.

Over-all assessment: Rising personal income will provide fresh stimulus to consumer optimism in the months ahead; but as of now, boom spending on consumer durables and housing will not develop.

What this all adds up to—in the words of Survey Director George Katona—is that consumers aren't puppets in the hands of hidden persuaders. **And while lacking a sophisticated knowledge of business, they help keep the economy on an even keel.**

On the basis of years of experience in testing consumer reactions and attitudes, Katona suggests that, when businessmen try to manipulate consumers through psychology, they may actually find the shoe is really on the other foot. Consumer psychology probably is more successful in influencing business policies and government policies so they will be in line with prevailing consumer attitudes than it is in swaying consumer behavior.

BUYERS GUIDE—McDonnell Aircraft has reduced material costs from \$26.95 to only \$1.98 in a formerly complicated task of incorporating changes into original engineering drawings. Instead of relying on hand-prepared drawings, McDonnell simplifies the procedure with two Polaroid camera shots—10-second, before-and-after photos are attached to a change order form that then is reproduced for distribution by an offset printing process. . . . **Big city and state governmental purchasing operations are drawing closer attention from industry P.A.'s** A purchasing official from a large textile-chemical company recently spent three days studying the commodity file system used by the city of Atlanta purchasing department.

Low Inventories, Small Lot Orders Found SOP Among Castings Buyers

Hot Springs, Va.—Buyers of steel castings are working on low inventories and ordering in small lots to meet current production schedules, according to a survey by the Steel Founders' Society of America.

As a result, the survey found, short lead times and rush delivery

are the principal factors in most purchases. A report on the survey was given by W. H. Moriarty, Society president, at the group's 59th annual meeting here last week.

Of the 41 foundries which replied to the Society questionnaire, 73% expect shipments to increase for the last half of 1961, said Moriarty, who also is first vice president and group executive of National Castings Co., Cleveland.

Only 8% of the companies expect shipments to drop, while 19% believe there will be no change in the level of business for the last half of the year, he said.

Wheeling Steel Ponders Acquisition of Triangle

Pittsburgh — Wheeling Steel Corp. is considering the purchase of Triangle Conduit & Cable Co., according to Triangle's president Carl S. Menger. A Wheeling spokesman said there had been tentative discussions, but stressed that no decision had been made by Wheeling. Triangle, a large customer of Wheeling, buys pipe to turn into conduit.

Price Changes for Purchasing Agents

Item & Company	Amount of Change	New Price	Reason
INCREASES			
Tin salts, potassium stannate, lb.	.009	.875	metal hikes
Sodium stannate, lb.	.009	.74	metal hikes
Tin crystals, anhyd., lb.	.018	\$1.135	metal hikes
Styrene compounds, crystal, nat., colored, gen'l purpose, med. impact, Un. Carbide, Oct. 9, lb.	.01	....	profit pinch
Ind'l cotton gray goods fabrics, well. Sears, lb.	.01-.015	....	higher cotton tags
Ferrochrome alloys, Un. Carbide, Oct. 15, per lb. chromium content	avge. .02	....	cost adjustment
REDUCTIONS			
Aluminum ingot, 99.5% min. purity, lb.	.02	.24	competition
Aluminum alloy extrusion billet, 6063, lb.	.017	.255	ingot cut
Aluminum prods., tubular, sheet, alloy ingot, Alcoa, lb.	.007-.02	....	ingot cut
Copper roofing sheet, roll, strip, standard sizes, Revere, lb.	.0075	....	for. competition
Gasoline, Mid-Cont. Refiners, 91 Oct., branded, gal.	.005	.1075	competition
Silicone compounds (LTV-602), GE, vol. purchase, lb.	\$1.10	\$5.90	prod. econs.
Menthol, Brazilian, lb.	.10	\$7.30	....
Bare aluminum conductors, Rome Cable, lb.	.005	....	ingot cut
Aluminum steel cable, reinforced, Rome Cable, per lb. al. content	.005	....	ingot cut

Aluminum Cuts Spread Through Product Line

(Continued from page 1) picking up the basic ingot at the border for 23 1/4¢/lb., the equivalent of about 24 1/2¢/lb. for most eastern and midwestern users.

Alcoa retaliated swiftly by cutting the price of the basic metal to 24¢/lb. and then began spreading the basic cut to other areas. First move was a cut of .7¢/lb. in the price of the most common grade of aluminum billet, 6063 soft alloy aluminum billet used in making such things as aluminum doors and windows. It reduced the published price to 25.5¢/lb. from 27.2¢, then abolished a 1¢/lb. credit to customers returning scrap from the billets—for a net price reduction of .7¢/lb.

Alcoa's next move: cuts in key fabricated and semifabricated lines.

Prices of a few product categories were reduced 2¢/lb., matching the ingot cuts. Items affected were:

• **Tubular products.** Two alloys, 2014 and 2024, were reduced. One of the most common in the second category, 1-in. tube with a .049-in. wall thickness, which formerly sold at \$1.70/lb., now sells for \$1.68.

• **Extruded shapes, rods, bars.** The 2¢ reductions occurred here in five alloys: 2014, 2024, 7075, 7079, 7178.

• **Round tube.** Reduced 1¢ to 2¢/lb.

Other price changes:

• **Aluminum sheet and plate.** Prices of 65-70% of sheet and plate categories were cut by amounts ranging up to 2¢/lb., though the average reduction was 1¢. Examples: Mill finish plate,

.025 in. thickness, alloys 1100, 3003, 5005, were cut 1¢/lb. from 48.9¢ to 47.9¢. Alclad, 24x48-in. in coils, cut 1¢/lb. from 44¢ to 43¢.

• **Alloyed ingots.** Commonly used grades were adjusted downward in a range from .7¢ to .9¢/lb. Changes for the most part reflected the percentage of aluminum contained in the alloy:

Grade	New Price	Old Price
Alloy 13	25.2c	25.9c
A13	25.3	26
43	25.2	26.20
108	26.5	27.40-30.50
A132	30.8	31.50
D132	27.8	28.5
142	28.2	29-31.5
195	26.7	27.65-30.7
B195	26.5	27.40-30.60
F	28.1	29
A214	28.1	29
218	28.6	29.4
220	29.40	30.20
355	26	26.9
356	26	26.8
360	26	26.40
380	25.9	26.6
Electrical conductor	24.5	26.5

• **Plain coiled foil.** Reductions in this material, widely used in packaging, amounted generally to 1 1/2¢/lb.

Independent fabricators took the news of the price cuts calmly. They pointed out that the number of product categories on which they would have to match reductions was small. What's more, they explained, the semifabricated cuts were not so great as to ab-

sorb the entire 2¢ ingot reduction which most were counting on to widen the margin between their selling price and raw materials costs.

Secondary aluminum smelters, which make alloyed ingots from scrap, said the new producer prices would probably lead to few if any adjustments in smelter alloy prices. Differentials between producer and smelter prices have ranged from 3 1/2¢ to 6¢/lb. for some time, with the general average about 4 1/2¢ under producer prices. This, they point out, is sufficient to enable them to hold the price line on most alloyed ingots.

Extension of the basic aluminum ingot price cut to products using aluminum began to be felt toward the end of last week. For example, Phelps Dodge Copper Prods. Corp. cut prices for paper insulated cables made with aluminum sheath by 2¢/lb. It said the decrease also applied to any insulated cable made with aluminum conductor.

Another example: Alcoa's Rome Cable Div. cut the price of bare aluminum conductors by 1/2¢/lb. and made a 1/2¢/lb. cut on aluminum content in ACSR (aluminum cable steel reinforced).

Paper Product Prices Keeping Pace With Demand: Other Increases Due

(Continued from page 1) quote so low as we have been."

"Demand is going up—not abnormally, but steadily," observed another producer. "Competitive

discounting is starting to ease up, and I look for prices to trend upward slightly for the rest of the year."

Discounting has been so heavy in folding paper cartons—especially in foodboard—that industry opinion doesn't see market prices reaching list levels this year.

Market prices for fine papers are also likely to tend upwards in the coming weeks. According to Louis Shable, manager of merchant sales for International Paper's fine paper division, "demand for fine papers and publication grades generally are following the upward industry trend. Sales volume in most grades is substantially above last year. In view of increasing costs we feel that prices on most grades should be advanced."

Industry opinion sees rising fine paper quotes within the next few weeks—at least on the producer end. Resale prices may not firm to the same extent, but discounting from list is definitely expected to narrow.

In gummed labels demand pickup and price strengthening also has been more pronounced.

The surge in over-all demand also was behind the price increases posted or announced for other paper products over the past few weeks. These include: 10% to 14% boosts in corrugated carton prices on Sept. 1; 6% more for bleached and unbleached kraft paper—including bag papers and asphaltting kraft grades—starting Sept. 30; 4% hikes for multiwall bags also starting Sept. 30.

No further 1961 tag boosts are expected for these products. "It would be most unusual for a company to increase any of these prices again this late in the year," summed up a spokesman for a leading integrated paper maker.

Late News in Brief

No. 1 Bundles Drop 80¢/Ton

Chicago—The price of No. 1 steel industrial bundles fell as much as 80¢/ton, the first drop since the end of June. The decline was not immediately felt in other markets. No. 1 bundle prices in Cleveland held steady, while the price of No. 2 bundles rose \$1/ton in Pittsburgh.

Steel Inventories to Remain Steady

New York—Steel buyers show no tendency to expand inventories in the fourth quarter, reports the Purchasing Agents Assn. of New York after a survey of its members. While no across-the-board steel hike was foreseen, consensus was that users should protect themselves on important items against the possibility of "some selective price increases in various forms."

GE Cuts Price of LTV-602

New York—General Electric Co. cut the price of LTV-602 silicone potting and embedding compound used in protecting electronic components. The price was cut from \$7 to \$5.90/lb. for quantity purchases.

Copper Price Drops to 28.5¢/Lb.

New York—Belgium's Union Miniere du Haut Katanga cut its copper price for the second time in two weeks. This time it trimmed its price by .675¢/lb. to 28.5¢/lb. in New York. Reductions reflect previous declines in London copper price.

GM Plans Combined Operation

Cleveland—General Motors Corp. is considering combining its Cleveland Diesel division with its Electro-Motive division at La Grange, Ill. Both produce engines of similar horsepower but of differing designs, from about 800 hp. to 2,800 hp. Combined operation would be located in Cleveland.

Con Ed Orders \$131-Million Generator

New York—Consolidated Edison Co. ordered a turbine generator from Allis-Chalmers Mfg. Co. capable of producing more than one million kw. Largest ever ordered in the U.S., the entire generating plant is expected to cost \$131-million and is scheduled for completion in early 1966.

Ferrochrome Alloy Prices Hiked

New York—Union Carbide Metals Co. boosted ferrochrome alloy prices nearly 2¢/lb., effective Oct. 15. The new prices include a premium for the 0.025% carbon grade of low-carbon ferrochrome and the 0.01% carbon grades of "Simplex" alloys necessitated by the rigid control of raw material specifications essential to producing alloys of this quality.

The price increases and demand surge have obscured the fact that soft spots still exist in the industry. For example:

• **Gummed sealing tapes.** Despite growing demand, competitive pricing is on the increase for this product. Discounts of 5% from list are frequent. One Eastern manufacturer put it this way, "We're only discounting to meet known situations, but more and more of these situations are cropping up. Capacity still seems way ahead of demand."

• **Reinforced industrial and building paper.** Demand is also going up here, but industry people report no easing of the "very competitive price situation."

• **Corrugating medium.** Packaging Corp. of America and Continental Can have had to rescind price increases—\$9.50/ton for both semichem and bogus—that they had announced for Sept. 1, even though demand, as a Packaging Corp. official described it, is "fantastic."

"Other companies just wouldn't go along," he said, "and there seems no prospect of a price increase in the near future."

Other industry executives said that one reason the increase didn't spread was because corrugating medium-price levels had been out of line with the market prices for corrugated containers.

Tool Builders, Users Seek Federal Approval On Machine Standards

Detroit—A group of machine tool builders and users, backed by the Dept. of Defense, is ready to submit proposals to the Commerce Dept. on standards for grinding and milling machines.

The association, organized two years ago by a group of 30 users, is called the Cooperative Machine Tool Standards Group (CMTSG). With the support of machine tool builders, it formed subcommittees to work out standards for drilling, grinding, milling, and turning machines, as a first step in a program to provide standards for general-purpose machine tools.

The CMTSG has won Dept. of Defense endorsement of its grinding and milling machine standards. Next step is submission to the Commerce Dept.'s Office of Technical Services for consideration. If approved, the proposals will be circulated to industry and government for acceptance prior to printing as commercial standards.

Proposals on standards for some types of drilling and turning machines are expected to be ready for similar action later this fall.



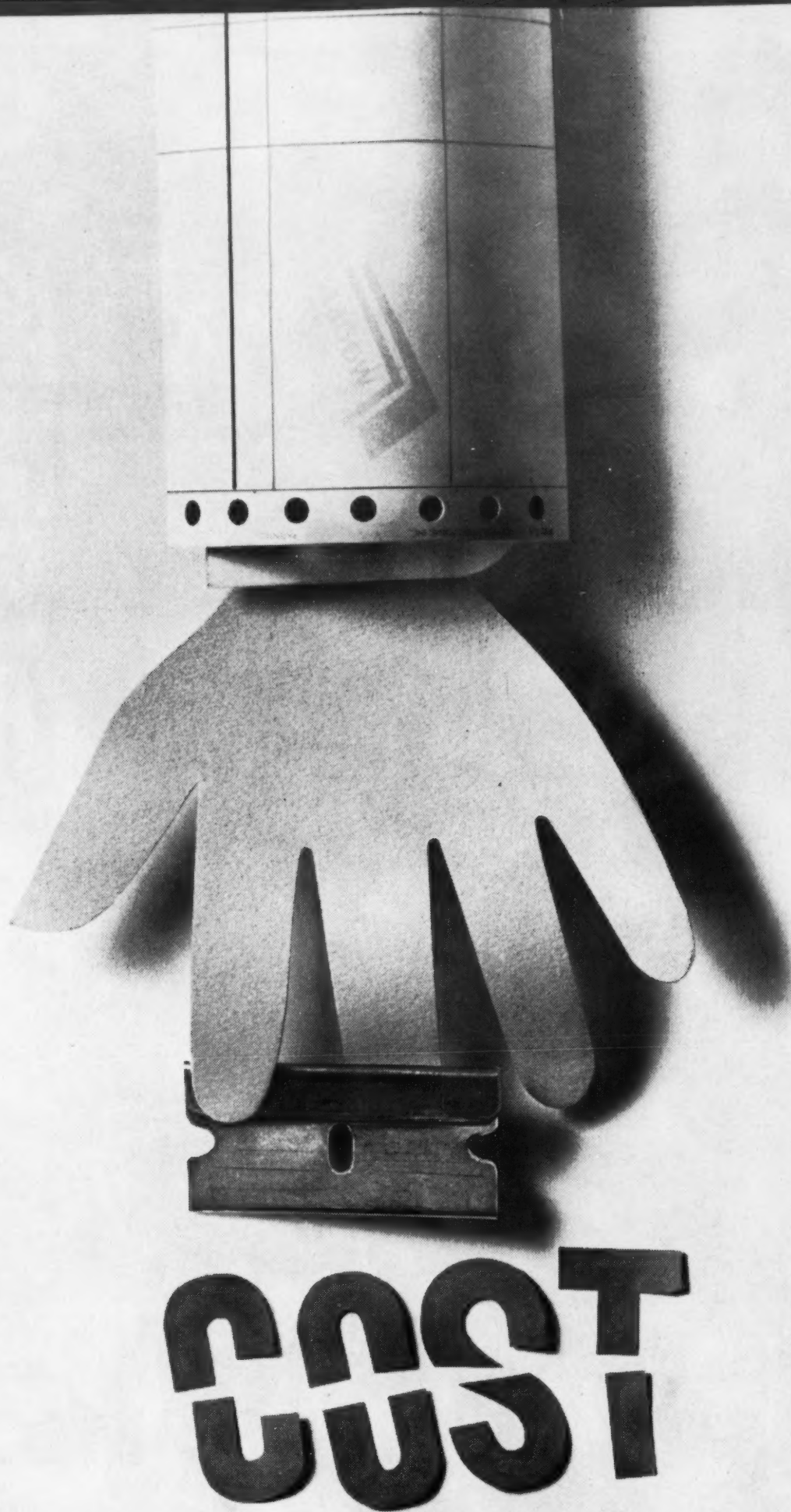
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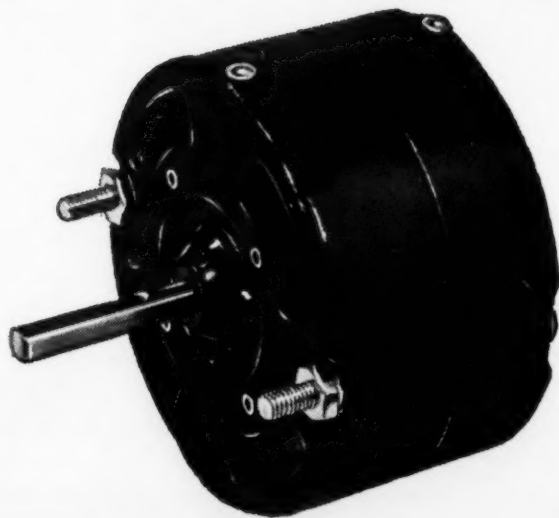


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